FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 174 *7 September 1978*

INTER-AMERICAN AFFAIRS

Argentina Blocks Brazilian Exports to Chile [O GLOBO 5 Sep] A 1 1/A6
Brazilian Minister's Comments A 1 1/A6

ARGENTINA

Videla Charges 'Some U.S. Officials' With Interference B 1 1/A7
Army Commander Rejects Reports of Political Arrests B 1 1/A7
Federal Prosecutor Asks 6-Year Term for Mrs Peron B 1/A8
Brigadier Generals Meet on National Reorganization B 1/A8
Air Force Reports on Cooperation With Peru B 1/A9
U.S. Executive's House Target of Bombing B 1/A9

BRAZIL

Military To Seek Assessment of Support for Opposition Candidate D 1 1/A10
[O ESTADO DE SAO PAULO 5 Sep]
National Alliance President Defends Party Loyalty Law D 1 1/A10
Figueiredo Defends Use of 'Exceptional Governments' D 2 1/A11
[O ESTADO DE SAO PAULO 5 Sep]
Press Conference Remarks D 2 1/A11
Authorities Investigating Infiltration by Extremist Groups D 3 1/A12
Fifty Persons Attend Proamnesty Demonstration in Porto Alegre D 3 1/A12
Fifteen Arrested, Released D 4 1/A13
ARENA Governors Elected Through Indirect System D 4 1/A13
Senator Praises Results of Trade Mission to PRC D 5 1/A14
Mines, Energy Minister To Visit D 5 1/A14
Senator Questions Value of Brazil's Nuclear Program D 5 1/A14

CHILE

Students Clash in Santiago: One Injured, Twelve Arrested E 1 1/B1
Fighting at Catholic University E 1 1/B1
Plaza de Armas Demonstration E 1 1/B1
Fifteen Charged With Subversion in Chuquicamata E 1 1/B1
Two MIR Suspects Referred to Military Court E 1 1/B1

COLOMBIA

Turbay Meets With UTC, CTC Labor Leaders F 1 1/32
CSTC Leader's Comments F 1/B2
Industrialists Ask for Favorable Investment Climate F 1 1/B2
Belisario Betancourt Seeks Government Posts for Conservatives F 2 1/B3
Caqueta Territory Teachers Call Strike, Demand Wages F 2 1/B3

PARAGUAY

Two Opposition Leaders Reportedly Detained [ABC COLOR 6 Sep] H 1 1/B4
Laino Warned Against Forming 'National Agreement' [ULTIMA HORA 6 Sep] H 1 1/B4
Police Chief Questions Rights Leader About Hunger Strike [HOY 3 Sep] H 2 1/B5
'National Agreement' Group Supports Hunger Strike [HOY 28 Aug] H 3 1/B6
Radical Liberal Party Leadership Reorganized [ABC COLOR 2 Sep] H 3 1/B6
Court Refuses To Recognize Four Political Parties [ULTIMA HORA 4 Sep] H 3 1/B6

PERU

Miners Returning to Work; Government Employees Strike J 1 1/B7
Curfew in Marcona J 1 1/B7
Miners Reportedly Return J 1 1/B7
Violence in Lima J 2 1/B8
Aprist Party Reportedly Undergoing Reorganization J 2 1/B8
$200-Million Fund Available for Investment J 3 1/B9
Briefs: Official to Soviet Union; Minister to Ecuador; PRC Scholarships J 3 1/B9

URUGUAY

Blanco Party Members Target of Poisoning Attempt K 1 1/B10
Full-Scale Investigation Promised K 1 1/B10
Naval Chief Denies Rumors of Government Changes K 2 1/B11
Opposition Leader Bemoans Absence of Democracy K 2 1/B11

VENEZUELA

Support for Proposed OAS Action on Nicaragua Studied L 1 1/B12
Response to Somoza L 1 1/B12
Spanish Prime Minister Suarez Arrives for Two-Day Stay L 1 1/B12

MEXICO

Margain Murderers Reported Hiding in Several States M 1 1/B13
Reaction to Lopez-Portillo's Amnesty Program M 1 1/B13
PST Cites U.S. Boycott of Amnesty for Political Prisoners M 1 1/B13
Energy Commission Official Supports OPEC Price Hike M 2 1/B14
Mexican Oil Price Increase M 2 1/B14
Lopez-Portillo Opens Ninth OLADE Ministerial Meeting M 2 1/B14
Financing Organization Established M 3 1/C1

PANAMA

Commentators Hit Royo's Nomination, Ask Torrijos To Remain N 1 1/C2
'Equilibrium' of Candidates [MATUTINO 4 Sep] N 2 1/C3
U.S.-Torrijos Election Deal [CRITICA 4 Sep] N 3 1/C4
1979 Operating Budget To Be Increased by 11 Percent N 4 1/C5
Vice President Speaks at Corregimiento Representatives' Ceremony [CRITICA 1 Sep] N 4 1/C5
Panama-USSR Projects Announced by Delegation Leader N 5 1/C6
Panamanian Trade Mission To Visit EEC Countries N 5 1/C6
Consul General to Guatemala Appointed N 5 1/C6

CENTRAL AMERICA

COSTA RICA

Official Action Planned To Save Nicaraguan Peace P 1 1/C7
Calderon in Honduras P 1 1/C7
Communists Condemn Efforts P 1 1/C7
Sandinists Protest P 2 1/C8
Radio Reloj Faults Government P 2 1/C8
Government Position on Salaries Announced P 3 1/C9
President Carazo Endorses Labor Confederation P 3 1/C9

HONDURAS

Banks Suspend Transactions in Nicaraguan Cordobas P 3 1/C9
Archbishop Says Pope is Mediating Nicaraguan Crisis P 4 1/C10

NICARAGUA

Official Communique Limits Bus Circulation in Managua P 4 1/C10
School Activities Suspended in Bluefields P 4 1/C10
Alleged Extremist Killed by Military Patrol in Ocotal P 5 1/C11
Conservative Leader Discusses Domestic Situation P 5 1/C11
Opposition Front Promises Continued Struggle P 6 1/C12

CUBA

Denial of Infiltration Into Nicaragua Issued Q 1 1/C14
Fidel Castro To Meet With Exiled Cuban Newsmen Q 1 1/C14
Raul Roa Addresses Interparliamentary Meeting in Bonn Q 2 1/D1
Angolan Construction Minister Tours Santiago Q 3 1/D2
Castro Receives Mozambican Deputy Defense Minister Q 3 1/D2
Isle of Youth Visit Q 3 1/D2
Angolan Official Arrives for Visit Q 3 1/D2
Briefs: Infant Mortality Rate Q 3 1/D2

OTHER COUNTRIES

DOMINICAN REPUBLIC

Guzman Retires Fifth Army General V 1 1/D3
Guzman Denies Violating Armed Forces Law V 1 1/D3
Interior Minister Plans To Disarm Civilians V 1 1/D3
British Boats Allegedly Attack Dominican Craft V 2 1/D4

ECUADOR

Students Condemn Attack on 'EL UNIVERSO' V 2 1/D4

GUYANA

Fishing Agreement Talks Concluded With Barbados [GUYANA CHRONICLE 30 Aug] V 2 1/D4

JAMAICA

Opposition Party Members Return to Senate [DAILY GLEANER 2 Sep] V 3 1/D5
Manley Issues Statement on Army Torture [DAILY GLEANER 1 Sep] V 4 1/D6
GLEANER, Columnist Sued [DAILY GLEANER 31 Aug] V 5 1/D7

BRIEFS:

Government-Owned Jamaican Newspaper; Ecuadorean Government Acquires Company V 5 1/D7

REF ID: FBIS-LAT-78-174

FBIS-LAT-78-174
Thursday
7 September 1978
Vol VI No 174

DAILY REPORT

COMPLETED
ORIGINAL

LATIN AMERICA

Available for Distribution
From NTIS

FBIS FOREIGN BROADCAST INFORMATION SERVICE

50

This publication contains current news and commentary monitored by FBIS from foreign broadcasts, news agency transmissions, newspapers, and periodicals. Items are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign-language sources are translated by FBIS. Those from English-language sources are transcribed, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS. Labels such as [Text] or [Excerpts] in the first line of each item indicate how FBIS processed the information from the original. Names rendered phonetically or in transliteration are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clearly heard but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source.

Users of this publication may cite FBIS provided they do so in a manner clearly identifying it as the secondary source. For example: "FBIS reports that Radio Moscow announced . . ." or "FBIS has monitored a broadcast from Hanoi which says . . ."

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

ARGENTINA BLOCKS BRAZILIAN EXPORTS TO CHILE

PY0613467 Rio de Janeiro O GLOBO in Portuguese 5 Sep 78 p 25 PY

[Excerpts] (O GLOBO)--Itamaraty confirmed yesterday that Argentina has closed its border with Brazil to Brazilian trucks carrying goods for Chile through the River Plate highway system. Itamaraty spokesman Gelson Fonseca reported, however, that the border is only partially closed, that is, the ban is only applied to trucks carrying chassis and auto parts that can be used for belligerent purposes. In the meantime, the transport of other types of goods (including perishables) continues to be normal. The spokesman declined to comment on the possibility that this violation of existing bilateral transport agreements might affect Brazilian-Argentine relations in other areas. He said that he did not know to what degree this problem, which began 3 weeks ago, might affect the tripartite talks on the exploitation of the Parana River.

Fonseca said: "In view of this, we can only wait for a solution, which we trust will be favorable. He added that Argentina banned the transit of chassis for buses and trucks exported by Brazil to Chile without notifying Brasilia of the reasons for its decision. Furthermore, he denied reports that weapons are among the goods that can be exported by Brazil to Chile. Vehicles that were stopped at the Argentine border with Chile have already returned to Brazil and the transportation costs, according to the Foreign Ministry, will have to be absorbed by the manufacturers.

Questioned on the present status of Brazilian-Argentine relations after this new incident, Fonseca emphatically said: "I have nothing to say about that." He made clear that the Brazilian Government expressed its concern only about this specific problem.

Itamaraty officials in charge of the Brazilian policy with neighboring countries believe that this is an Argentine attempt to force an economic boycott on Chile, by claiming that the auto parts imported by Chile could be used for belligerent purposes in any armed border confrontation.

Since Bolivia also has conflicts with Chile and does not permit the transit of Brazilian goods into Chile through its territory, there are only two ways Brazil and all other countries maintaining normal trade relations with Chile can operate; through the Peruvian border, where goods in transit to Chile are inspected, and through maritime transport, which significantly increases both shipping time and costs and discourages trade.

Brazilian Minister's Comments

PY0702215Y Paris AFP in Spanish 2234 GMT 6 Sep 78 PY

[Text] Brasilia, 6 Sep (AFP)--Brazilian Foreign Minister Antonio Azeredo da Silveira said here today that the trucks and buses exported by Brazil to Chile, which are being held at the Argentine border, are not for military purposes. The Brazilian Government has already informed the Argentine Government of this situation and now hopes for satisfactory resolution of this incident, said the foreign minister when he arrived at Brasilia Airport from Rome, where he attended the inauguration of John Paul I. The minister pointed out that these vehicles may eventually be transported to Chile by ship but that Brazil gives great importance to the integrity of the highway transport system in the southern cone.

Azeredo da Silveira also said that in Rome he met with his Argentine counterpart, Oscar Montes, but that tripartite negotiations and the truck war were not discussed.

VIDELA REJECTS 'SOME U.S. OFFICIALS' WITH INTERFERENCE

FY070431Y Buenos Aires TELAM in Spanish 2230 GMT 6 Sep 78 FY

[Excerpts] Las Palmas, 6 Sep (TELAM)--Argentine President Jorge Rafael Videla, returning from Rome after a 4-day visit to attend the inauguration of Pope John Paul I and to hold important meetings, talked to Spanish reporters who were waiting for him at the airport.

In answer to a question from a Spanish reporter, the Argentine president said that there are no political prisoners in Argentina, only subversive criminals who are under arrest for having committed this type of crime. He added that no honest profession or social activity is prohibited in Argentina, but that subversive action by politicians, reporters, union leaders and others is prohibited.

Reporters also asked him about Argentine-U.S. relations. General Videla answered: "If you are referring to Argentine-U.S. relations, I keep relations between people and governments separate. Currently the relations between the people of Argentina and the United States are unchanged and excellent, as they have historically always been. With regard to the constitutional government elected by its people, Argentina has always respected the self-determination of peoples and therefore respects the decision of the U.S. people, who have elected a political party to run their destiny. Argentina has always respected the self-determination of peoples and noninterference by one state in the internal affairs of another.

"What is bothering Argentina is the attitude of some U.S. Government officials who seem to concentrate some aspects of U.S. policies on criticism which constitutes interference in Argentine affairs that only the Argentine people must resolve. Argentina is a mature and sovereign nation. It became independent from Spain as a mature and sovereign nation, and as a mature and sovereign nation it is ready to defend its sovereignty in all areas. Therefore, it does not accept anybody intervening in its internal problems."

In conclusion, the president expressed optimism regarding the future of our country. In answer to a question about what might happen in the future if Argentine citizens who are refugees in many countries, particularly Europe, return to Argentina, the chief of state said that there are Argentines who were expelled from the country, others who decided to leave in accordance with constitutional rights, and finally there are people who ran from Argentina because their consciences lacked the tranquillity to confront their own responsibilities. He added that with regard to the former two cases, they may return after the period of exception, the state of siege currently in force, is lifted and in accordance with what the courts may determine in each case. For those who ran away from the country, their own uneasy consciences will prevent them from returning, General Videla concluded.

[Buenos Aires TELAM in Spanish at 0020 GMT on 7 September reports that "President Jorge Rafael Videla has returned to the country from Rome. The plane carrying the president landed at Ezeiza International Airport at 2055."]

ARMY COMMANDER REJECTS REPORTS OF POLITICAL ARRESTS

FY061755Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1510 GMT 6 Sep 78 FY

[Excerpt] Neuquen, 6 Sep (NA)--Army Commander Lt Gen Roberto Eduardo Viola asserted here today that "there are no political detainees in Argentina, with the exception of a few people who may have been involved with institutional acts and who are really in detention because of their political activitity." [as received]

Viola also made it clear that "there is no one under detention just because he is a politician or because he does not share the ideas which are supported by the government of national reorganization." The army commander made these remarks on his arrival this morning at the local airport. He is making a brief visit to Neuquen accompanied by V Corps Commander Maj Gen Jose Vaquero.

Before leaving the airport, Viola spoke briefly with Maite de Esteban, wife of journalist Enrique Esteban, who is the local correspondent for the newspaper CLARIN and whose whereabouts have been unknown since he was kidnaped on 23 July 1978. According to what Mrs Esteban later said, Viola told her "not to lose hope because the task is being carried out" in trying to find the journalist's whereabouts.

During his talk with the press, Viola was asked whether his visits to army garrisons in the south of the country hold any special significance, to which Viola answered that "I have only come to evaluate the work which is being carried out in this part of the country in view of my current functions."

He then reiterated earlier remarks about the eventuality of a pardon for former President Maria Estela Martinez de Peron, saying that "at the current time it is not under consideration, but this does not mean it may not come under consideration at any time." Regarding the former president's pardon, Viola then insisted that "it could be an alternative, but nobody can guarantee that this will happen in the future."

FEDERAL PROSECUTOR ASKS 6-YEAR TERM FOR MRS PERON

FY051433Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1257 GMT 5 Sep 78 PY

[Text] Buenos Aires, 5 Sep (NA)--Federal Prosecutor Jose Nicasio Dibur has asked Federal Judge Norberto Angel Gilatta to sentence Maria Estela Martinez de Peron to 6 years in prison for the crime of fraudulent and irregular administration of the funds of the former Justicialist Solidarity Crusade before that entity began functioning under a recognized legal status. The case refers to the management of funds which had been donated by over 60 large firms of this capital for the crusade, which sponsored acts of charity for the benefit of the poorest sectors of the population.

BRIGADIER GENERALS MEET ON NATIONAL REORGANIZATION

FY061445Y Buenos Aires Domestic Service in Spanish 1030 GMT 6 Sep 78 PY

[Text of communique issued on 5 September in Buenos Aires by air force headquarters]

[Text] A meeting of brigadier generals was held in the Condor Building, headquarters of the air force, beginning at 0900 today, presided over by the air force commander in chief, Brig Gen Orlando Ramon Agosti. All active brigadier generals attended the meeting. During the meeting they discussed issues related to the document "Political Basis for National Reorganization" which had earlier been delivered by the air force to the commanders in chief of the other branches of the armed forces. The brigadier generals were also briefed on the basic guidelines for government action during the 1979-81 term. Finally, they discussed the negotiations being conducted with Chile regarding the Beagle Channel and their probable outcome. The meeting ended at 1400.

AIR FORCE REPORTS ON COOPERATION WITH PERU

PY3114007 Buenos Aires Domestic Service in Spanish 1030 GMT 31 Aug 78 PY

[Text] The Argentine Air Force chief of staff, Brig Gen Omar Garaffigna, stated yesterday that we have common objectives with a good many countries, but in the specific case of Peru--thanks to basic historical bounds--we have identity of objectives at all levels. Thus I find it easier and appropriate to reach certain agreements and implement actions for the air force, and therefore for the entire country.

Garaffigna made these remarks at Ezeiza International Airport when he returned from his 1-week stay in Peru where he had gone in response to an invitation issued by the Peruvian Government. The day before yesterday General Garaffigna was decorated with the Peruvian Cross for Aviation Merit for exceptional and praiseworthy services rendered to the Peruvian Air Force and for his outstanding personal and military virtues.

Garaffigna also stated that 3 months ago the Argentine Air Force invited Peruvian Air Force officials for consultation on certain aspects common to both air forces. The visit of Argentine Air Force officers implemented many of the agreements which we believed appropriate. He added that he had visited various Peruvian Air Force units, and I must truthfully state that I found them in excellent condition from every point of view. Garaffigna concluded by stating: We also saw that certain technical and operational matters could be taken care of jointly by the two air forces, an action which would result in a significant economy of means.

U.S. EXECUTIVE'S HOUSE TARGET OF BOMBING

PY0203347 Paris AFP in Spanish 2225 GMT 1 Sep 78 PY

[Excerpt] Buenos Aires, 1 Sep (AFP)--It was reported here today that a bomb exploded in the residence of a U.S. executive causing major damage but no injuries. The bomb was planted in the residence of lawyer Pablo Calatayud, a legal adviser to the General Motors board of directors, in Olivos, 20 km north of here.

MILITARY TO SEEK ASSESSMENT OF SUPPORT FOR OPPOSITION CANDIDATE

PY0700052Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Sep 78 p 6 PY

[Text] According to high-ranking officers at central headquarters in Brasilia yesterday, all commanding generals throughout the country will today begin to receive a two-page document marked secret and aimed at "sounding them out." Although the document was apparently prepared by the Army Intelligence Service, the sources indicated that this organization was merely used as a channel and that the true originator of the document was the office of the army minister with some help from the National Intelligence Service (SNI).

The sources indicated that although the document includes an analysis of the current political situation, its main objective is to ask the commanding generals to sound out their subordinates for a general idea of how many of them support General Euler's candidacy.

Up to the moment when Gen Euler Bentes Monteiro joined the Brazilian Democratic Movement (MDB) circles in Brasilia were not concerned, but it would seem that facts call for a change in that viewpoint. One concrete example of this change is the contact between two different groups of officers working among military circles to prevent the installation of General Euler if he wins at the Electoral College. The group of active-duty officers working for Gen Joao Baptista Figueiredo's opponent take it for granted that his installation would be prevented.

Each of these two groups has acted independently and the reasons for their creation were different. The first group is made up of military officers who supported Figueiredo's candidacy from the very first. In this group are several two-, three- or four-star generals. The second group appeared after General Euler made certain statements which represented positions contrary to the military doctrine and principles of the March 1964 revolution, such as the return of the National Student Union and the General Workers Confederation, general amnesty and the possibility--although remote--of legal status for the Brazilian Communist Party. Still another factor which could have had something to do with the creation of this second group was the choice of Porto Alegre Senator Paulo Brossard as the vice presidential candidate. Brossard is viewed by the military as a man "who does not go for moderate measures and therefore is not fit for clearcut, significant functions within the country's executive branch."

It was openly stated at general headquarters that the first of these two groups will step up publication--which is already underway--of articles written by military officers and signed by journalists similar to the one published in the Saturday issue of the newspaper CORREIO BRASILIENSE.

While pro-Figueiredo talks are held in military circles, the groups which support Euler promise to act according to a timetable, which is to begin today, involving systematic contacts with parliamentarians. At the same time, it is announced that by 10 September letters will be sent to military officers of all branches explaining the position of Euler's supporters, strongly emphasizing the "service which we are rendering to the country." It was revealed that these letters will not ask for anything. They will be presented on a colleague-to-colleague basis, indicating that "all military officers will be responsible for the consequences if Euler is not installed should he be elected."

NATIONAL ALLIANCE PRESIDENT DEFENDS PARTY LOYALTY LAW

PY0518Z2Y Porto Alegre Radio Gaucha in Portuguese 1545 GMT 5 Sep 78 PY

[Text] The president of the National Renewal Alliance, Deputy Francelino Pereira, has stated that all ARENA delegates will vote for the official candidate, not through imposition of the loyalty law, but out of a sense of unity and cohesiveness.

The ARENA president thus tried to counter Gen Euler Bentes Monteiro's assertion that ARENA members have already invalidated the party loyalty law by voting for the candidate of the Brazilian Democratic Movement for the governorship of Rio de Janeiro State, Chagas Freitas.

FIGUEIREDO DEFENDS USE OF 'EXCEPTIONAL GOVERNMENTS'

FY0700047Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Sep 78 p 5 PY

[Speech by Gen Joao Baptista Figueiredo at reception held in his honor in Rio de Janeiro on 4 September]

[Excerpt] If it is true that the country is living in a new era, if it is true that we are marching toward a democratic opening and are now able to envisage the normalization of the country's political life, it is equally true that we are fully aware that we are defending what we fought for on 31 March.

If we are forced to stray for a short time from those guidelines and from that course we had outlined, it is equally true that we have never foresaken the desire to see our revolution return to its initial course. Thus, it gives me satisfaction to see that the true friends--those who never doubted my sincerity either as a lieutenant or a general--continue to believe that my intentions have not changed since 31 March and that I want our fatherland to have a democracy in line with our customs and traditions within the framework of Christian principles, and that I reject, with the same violence as on 31 March, any diversion toward extremist ideologies.

It is equally true that within this democracy which I desire, as all of you do, there is no room for disorder, there is no room for deviation and there is no room for pressure designed to make the people stop believing in our cause. There is no room for betrayal or forgetfulness of our original objectives. We remain unchanged. Others have changed, but we will continue moving forward, and I am sure that we can count on the support of all our friends.

Should this become impossible in the future, I do not want us accused of a lack of sincerity when we say that we want an orderly democracy, a Christian democracy, a democracy in which there will be no room for communism, but where the freedoms of the Brazilian man will be respected and where justice will be capable of discerning what is and what is not good for our society.

I am sure that others will see the light, others will belatedly acknowledge our sincerity. But they will never be able to stand at the same level with those who have always considered themselves to be and have always been faithful to the principles of 31 March 1964.

It could be said that we serve exceptional governments. We all serve exceptional governments, but we do so fully convinced that this is the only possible course of action to preserve the morale of the armed forces. And should it become necessary to defend our fatherland, we shall not hesitate to do the same all over again.

In the meantime, I implore the Lord to make the people who oppose us think a little bit about the happiness of the fatherland and avoid hindering us in the search for that democracy which we all desire. Thank you very much.

Press Conference Remarks

FY0114367 Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 1 Sep 78 PY

[Text] General Joao Baptista Figueiredo granted a press interview in Belem, Para State, yesterday and referred to economic and political topics.

He stated that he is against any attempt at internationalization of the Amazon region, but affirmed that his government will insure the maintenance of programs dealing with mineral wealth in the Amazon region as well as the development of the (Taqui) project. Figueiredo also said he will give attention to programs which are basic to the region's overall development such as personnel training, sanitation, education and health.

General Figueiredo denied the existence of division within the army over the two military candidacies, adding that the two military candidacies represent nothing but differnt options. He again condemned the attacks of paramilitary rightist organizations against newspaper offices.

Reporter (Berto Ferreira) recorded General Figueiredo's remarks on the priorities of his government: [Begin recording] I think it is only natural that we try to develop the resources we have, and we are going to look for funds to develop those resources. [passage indistinct]

AUTHORITIES INVESTIGATING INFILTRATION BY EXTREMIST GROUPS

PY061626Y Buenos Aires TELAM in Spanish 1355 GMT 6 Sep 78 PY

[Text] Sao Paulo, 6 Sep (TELAM-ANSA)--The Sao Paulo political police and military counter-espionage services are investigating the alleged infiltration by guerrillas of the Revolutionary People's Army [ERP] of Argentina within the Brazilian Socialist Convergence Movement. The leaders of this movement were arrested a few days ago on charges of trying to establish a Marxist-type party with revolutionary intentions.

Of the 21 leaders arrested on 23 August after the disorderly demonstrations which took place in Rio de Janeiro and Sao Paulo, nine have already been released. Among the 12 who remain under arrest, two Argentine citizens, Miguel Breassano and Lucia Strasberg, belong to their country's Socialist Workers Party, according to reports obtained here.

With regard to the Argentine citizens under arrest, Paulo Egydio, the governor of Sao Paulo, stated that they are representatives of the ERP who are presumably linked to the group which was arrested 2 weeks ago. The governor emphasized: "Security services are now trying to confirm the degree of infiltration within Brazil of these international agitators."

Yesterday, public opinion was again shaken by other rumors which spread at ultrasonic speed concerning the dynamite bombing of the U.S. Consulate in this city. It was later explained that a raging fire broke out in a large downtown building near the U.S. consulate. The police and all the country's intelligence services are now intent on discovering the origins of these alarming rumors and the real scope of this agitation.

The governor cited the existence of groups interested in taking advantage of the disturbances which almost always occur during peaceful demonstrations, such as the one held a few days ago to protest the cost of living which ended with teargas bombs being thrown by the police and with injuries and arrests. Egydio said: "Linked with these demonstrations, which are in themselves justified, are the political motives of radical and extremist groups."

FIFTY PERSONS ATTEND PROAMNESTY DEMONSTRATION IN ALEGRE

PY060012Y Porto Alegre Radio Quaiba in Portuguese 2150 GMT 5 Sep 78 PY

[Text] Porto Alegre--The public rally which was to be held today at 1700 in front of the city hall was replaced by a quick demonstration half an hour ago at the corner of Borges de Medeiros Avenue and Rua de Praia.

Approximately 50 persons carrying posters asking for the amnesty of political prisoners attended the demonstration. Strike forces and the military brigade using shields and special helmets are now posted in front of city hall to prevent more demonstrations.

[Porto Alegre Radio Quaiba in Portuguese at 0200 GMT on 5 September reported that "the proamnesty demonstration scheduled for 5 September at 1700 will not be allowed by the public security secretary because it is illegal. the secretary said that the promoters of the demonstration have been identified and added that the police will act to guarantee the normality of activities and traffic within the city."]

Fifteen Arrested, Released

PY070214Y Porto Alegre Radio Quaiba in Portuguese 2150 GMT 6 Sep 78 PY

[Excerpts] Porto Alegre--Legislative Assembly deputies of the two parties this afternoon discussed the demonstration staged yesterday in downtown Porto Alegre. Speaking in the name of the Brazilian Democratic Movement, its leader Lelio Souza strongly rejected the action carried out by police officials. He did not see any threat to order or any reason to use force to disperse the demonstrations.

Deputy Celestino Goulart, leader of the National Renewal Alliance, said that no conscientious person can accept violent actions, and noted that in recent days some boys and girls, challenging officials and infringing the laws, have been seeking to create confusion and chaos. He noted that the security secretary had calmly warned that the demonstration would not be authorized.

In a note released this afternoon, the State Security Secretariat, complying with its duty to inform the people, reports that yesterday it was forced to take actions in keeping with its powers to prevent a demonstration which was to be held in violation of existing laws in downtown Porto Alegre.

Fifteen persons were arrested and taken immediately to the central police department, but all of them were released last night after being questioned by police officials.

ARENA GOVERNORS ELECTED THROUGH INDIRECT SYSTEM

PY020239Y Paris AFP in Spanish 0145 GMT 2 Sep 78 PY

[Excerpts] Rio de Janeiro, 1 Sep--The governors of 21 of the 22 Brazilian states and 21 senators were elected today through the indirect system of electoral colleges which met in the respective capital of each state.

The governors of the National Renewal Alliance elected today are Amaral Souza (Rio Grande do Sul), Jorge Konder Bornhausen (Santa Catarina), Ney Braga (Parana), Paulo Salim Maluff (Sao Paulo), Francelino Pereira (Minas Gerais), Frederico Soares (Mato Grosso do Norte), Eurico Rezende (Espirito Santo), Ary Valadao (Goias), Augusto Franco (Sergipe), Guillerme Pereira (Alagoas), Marco Maciel (Pernambuco), Tarcisio Virgilio Tavora (Ceara), Lucidio Portela (Piaui), Alacid Nunes (Para), Jose Castelo (Maranhao), Jose Lindoso (Amazonas), Antonio Carlos Magalhaes (Bahia), and Joaquim Macedo (Acre).

The team of ARENA governors is completed with Harry Costa Amorin, who was appointed governor of the recently created state of Mato Grosso do Sul by a presidential decree.

SENATOR PRAISES RESULTS OF TRADE MISSION TO PRC

PY060108Y Brasilia Domestic Service in Portuguese 2200 GMT 5 Sep 78 PY

[From the "Congressional Report"]

[Text] Senator Lourival Baptista today praised the results achieved by the recent Brazilian trade mission to the PRC headed by Paulo Tarso Flecha de Lima. Among the results achieved by the mission, Baptista mentioned the signing of a contract whereby the Rio Doce Valley Company will export 250,000 tons of iron ore to the PRC, although on an experimental basis. He also noted that the Brazilian Petroleum Corporation contracted to import 90,000 tons of petroleum from the PRC, the Brazilian Warehouses and Trade Company made significant sales of soybean byproducts, and the National Nonferrous Metals and Steel Council has been examining samples of Chinese coal. Senator Baptista congratulated Ambassador Flecha de Lima and Foreign Minister Azeredo da Silveira for their policy of expanding Brazilian trade.

Mines, Energy Minister To Visit

PY021556Y Paris AFP in Spanish 1540 GMT 2 Sep 78 PY

[Text] Brasilia, 2 Sep (AFP)--The Brazilian Foreign Ministry reported here today that Brazilian Mines and Energy Minister Shigeaki Ueki will travel to the PRC on 13 September. The report indicated that Ueki will lead an economic delegation which will discuss with PRC officials the possibilities of increasing trade between the two countries. Ths spokesman said that Ueki will discuss in Peking the possibility of exchanging iron ore for PRC oil. Diplomatic relations between the PRC and Brazil were established in 1974.

SENATOR QUESTIONS VALUE OF BRAZIL'S NUCLEAR PROGRAM

PY070253Y Brasilia Domestic Service in Portuguese 2200 GMT 6 Sep 78 PY

[From the "Congressional Report"]

[Text] Senator Evandro Carreira today asked for revision of the Brazilian nuclear program, noting that the $10 billion which will be spent installing the Angra Dos Reis nuclear park could be better applied to exploiting other alternative sources of energy, such as hydroelectric, solar, coal or eolian energy, which are abundant in Brazil.

Carreira believes that Brazil is traveling on roads which are not yet completely controlled by man and which are still surrounded by great dangers. Therefore, he questioned the effectiveness of the nuclear program, which in his opinion could become obsolete by the time it is fully implemented.

Carreira believes that the government made a mistake in entering the atomic race because Brazil has one of the greatest hydroelectric resources in the world. As an example, he mentioned that 60 million kw are generated in the Amazon region alone to promote development, and that this could reach 150 million kw.

Supported by Senator Leite Chaves, Carreira noted that the timetable of the Angra 1 nuclear plant is already suffering a 1-year delay, a fact which could result in further loss of resources for the country. This, in his opinion, confirms the need for the government to focus its attention on the exploitation of the country's hydroelectric resources.

STUDENTS CLASH IN SANTIAGO: ONE INJURED, TWELVE ARRESTED

Fighting at Catholic University

PY070132Y Paris AFP in Spanish 2217 GMT 6 Sep 78 PY

[Excerpts] Santiago, Chile, 6 Sep (AFP)--Chilean student groups of various ideologies clashed here today on the grounds of the Catholic University, in the second day of similar incidents.

Witnesses stated that the fighting began at the Faculty of Theology when some 50 students tried to stage a demonstration in solidarity with the students of Nicaragua.

Other students, headed by Andres Chadwick, president of the Catholic University Students Federation, then arrived to block the demonstration.

The conflict led to some fistfights and kicking, and one student had to be taken to a hospital with several injuries, it was reported at the university.

Yesterday, a verbal confrontation took place at the Law School of the University of Chile, where a group of students sought to hold a meeting and refused to attend classes.

Plaza de Armas Demonstration

PY070127Y Santiago Chile Cadena Agricultura in Spanish 0000 GMT 7 Sep 78 PY

[Text] This afternoon carabineros arrested 12 persons for staging an illegal demonstration near Plaza de Armas in Santiago. Nine of those arrested were very young, and one was carrying pamphlets criticizing the military junta and urging support for the Communist Party. It was noted that several members of the Christian Democratic Party participated in the demonstration.

FIFTEEN CHARGED WITH SUBVERSION IN CHUQUICAMATA

PY070227Y Paris AFP in Spanish 0124 GMT 7 Sep 78 PY

[Excerpt] Santiago, Chile, 6 Sep (AFP)--It was reported here tonight that 15 persons charged with carrying out clandestine activities were arrested in the copper region of Chuquicamata, northern Chile.

The military government indicated in a communique that those arrested had distributed subversive pamphlets during the 3-week conflict with 10,000 mineworkers.

TWO MIR SUSPECTS REFERRED TO MILITARY COURT

PY061703Y Buenos Aires TELAM in Spanish 1507 GMT 6 Sep 78 PY

[Text] Santiago, Chile, 6 Sep (TELAM-EFE)--Two members of the outlawed Movement of the Revolutionary Left [MIR], who were arrested a few days ago and charged with leading a cell which carried out several terrorist attacks, today were placed at the disposal of the military court. This decision was made after two appeals courts declared themselves incompetent to accept a habeas corpus plea which was submitted in favor of Enrique Sepulveda and Sepulveda and Miguel Antonio Sanhueza Garrido.

TURBAY MEETS WITH UTC, CTC LABOR LEADERS

PA061551Y Bogota Cadena Radial Super in Spanish 0000 GMT 6 Sep 78 PA

[Text] Bogota--The solution of the country's socioeconomic problems was discussed in meetings between President Julio Cesar Turbay Ayala and leaders of the Union of Workers of Colombia [UTC] and the Confederation of Workers of Colombia [CTC]. The labor leaders stated that the meetings with the chief of state were not final in view of the issues raised but that the dialog represented a step forward in the search for solutions to social problems. After a long meeting with the president, CTC President Manuel Felipe Hurtado emphasized: We believe in a man's word and although President Turbay Ayala did not offer radical and immediate solutions, he did guarantee that solutions would be sought to the nation's somber social outlook.

CSTC Leader's Comments

PA061552Y Bogota Cadena Radial Super in Spanish 0000 GMT 6 Sep 78 PA

[Text] Bogota--The implementation of the 14 September civic strike is a democratic commitment and there is no reason to describe it as a subversive action, Miguel Antonio (Garcia), vice president of the Trade Union Confederation of Workers of Colombia [CSTC], said today.

Regarding an eventual split in the unity of the country's four main labor centrals, the leader of the Communist Central said:

[Begin recording] In the first place, our central is aware that there are many enemies and many persons interested in disrupting the labor unity currently demonstrated in the National Labor Council and in regional councils. The fact that the Union of Workers of Colombia [UTC] and Confederation of Workers of Colombia [CTC] met with President Turbay Ayala does not mean that there is a split in labor unity. It only means that the UTC and the CTC asked to meet the president separately. He granted their requests and for this reason the meetings were held. Furthermore, as it is clearly stated in the internal regulations of the National Labor Council, which have already been approved, the centrals will maintain their autonomy. Consequently, the National Labor Council is not a new central or an organization to which the centrals must be subjugated regarding individual matters. Thus, the UTC and CTC used their autonomy when they asked for and were granted a meeting with the president. Our central or the General Labor Confederation [CGT] could do likewise if circumstances required it. Moreover, the National Labor Council, the coordinating entity of the four labor centrals, has also asked for a meeting with the president and we are awaiting his reply. He will resubmit a list of demands that were presented to the previous government. The centrals are currently requesting separate meetings with the president but it has been established that a joint meeting will be held in which the National Labor Council, that is, the representatives of the four labor centrals, will participate. [end recording]

INDUSTRIALISTS ASK FOR FAVORABLE INVESTMENT CLIMATE

PA062028Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 6 Sep 78 PA

[Text] Colombian industry today asked the national government to provide the correct institutional conditions for the development of productive investments in Colombia and the achievement of the social conquests that the nation expects. Dario Munera Arango, president of the Board of Directors of the National Industrialists Association [ANDI], opened the organization's 34th annual National Assembly and voiced substantial suggestions in this regard. He said that the present situation is right for such action as a new administration is beginning its activities.

It is necessary, he said, for the nation's institutional system to encourage investment by providing incentives, especially in the fields of security, investor's property titles, the tax system and the system concerning capital and labor participation.

He added that this set of factors and circumstances is what is called a climate for investment and can be encouraging or depressing, favorable or unfavorable, depending on the actions of the government.

BELISARIO BETÁNCOURT SEEKS GOVERNMENT POSTS FOR CONSERVATIVES

PA062037Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 6 Sep 78 PA

[Text] Former presidential candidate Belisario Betancourt Cuartas today returned to the national scene, announcing his intention to actively participate in politics as a clear, rational and objective critic of the Turbay Ayala administration. He said that he is committed to remaining in politics in order to defend his campaign stands but does not have any expectations concerning a future presidential candidacy. The former minister from Antioquia, who had remained totally silent on politics since he returned from a tour of Europe, said in an interview appearing in GUION magazine today that the Conservative Party should be given the post of attorney general of the nation.

The former candidate said he will continue to defend the position that the attorney general and comptroller general should belong to a party different from that of the president.

Belisario Betancourt asked Congress to give the post of comptroller general to the Conservative Party. I do not agree with the last-minute proposal that the chief of the public ministry should belong to the same political party as the president. He added that the attorney general should be a conservative so that the nation can be sure the public interests will be well protected.

The former presidential candidate, who lost the last elections by a slim margin to Julio Cesar Turbay Ayala, also asked for a great national agreement to reorganize political parties, the electoral system and the establishment of two rounds for the presidential election.

He said it is necessary to discuss this great national agreement without the interference of an approaching campaign, as happened in the past. In an extensive interview with GUION magazine, Betancourt Cuartas said he supports the so-called "pact coalitions" and announced his candidacy because the number of dissatisfied persons will grow every day and the movement will grow tremendously.

CAQUETA TERRITORY TEACHERS CALL STRIKE, DEMAND WAGES

PA052045Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 5 Sep 78 PA

[Text] Teachers of the Caqueta Territory began an indefinite strike today to demand the rehiring of fired professors, the retroactive payment of wages and the abolishment of the teachers' statute issued by the past administration.

Manuel Molina, a teachers union leader, said that the strike will continue until the authorities respond positively to the teachers' demands.

TWO OPPOSITION LEADERS REPORTEDLY DETAINED

PY061532Y Asuncion ABC COLOR in Spanish 6 Sep 78 p 10 PY

[Text] The Christian Democratic Party [PDCP] and the coordinating board of the so-called National Agreement announced through communiques yesterday the detention of Prof Luis Alfonso Resck, a well-known PDCP leader, and of Prof Angel Bernal, a member of the National Executive Committee of the Febrerista Revolutionary Party [PRF]. According to the communique released by these two political groups, Resck was taken to the Police Investigations Department at 1230 by personnel of this department who showed a summons which had no signature or stamp. However, Bernal was taken to the Interior Ministry's Technical Department.

The PDCP communique reported that "the police attitude implies the intention of intimidating those who, like the PDCP, are struggling for an authentic democratization of the nation and for the full enforcement of human rights." It then demanded the immediate release of its leader and added: "The PDCP urges the government to cease in this persecution campaign which only serves to strengthen the will of the citizens to continue the struggle."

In view of these detentions, the document released by the National Agreement Coordinating Board declares it total disagreement with the police action. The document states: "The overt arbitrariness of the procedure causes us to protest energetically and we demand the immediate release of the two leaders. We do so with the strength given us in the knowledge that we are carrying out our political duties within a legal framework in the exercise of unrenounceable citizen rights." Finally it states: "No manner of intimidation will turn us from the path we have selected because it is leading us toward the country's democratization, a desire which is ardently supported by all the Paraguayan people."

ABC COLOR made several telephone calls last night to various offices of the Investigations Department in order to find out the purpose for the arrests of Resck and Bernal. At the political section we spoke first to an officer named Martinez who, when asked whether any PDCP leader was to be found in that section, answered: "In the first place you know very well that the PDCP does not exist. Now then, I know nothing about the matter. Why don't you call 41-636?" When this number was called, we were again informed that there was no information about the matter and we were invited to call the duty officer. The duty officer reported that he was not authorized to give information by telephone. In view of our request, Inspector Cantero said he had no knowledge of the affair and asked that we find out from the Interior Ministry's Information Office. At the front office of the Interior Ministry, we spoke to noncommissioned officer Delgado, who reported that the official of the Information Office had already left and that he knew nothing about the detentions.

LAINO WARNED AGAINST FORMING 'NATIONAL AGREEMENT'

PY062333Y Asuncion ULTIMA HORA in Spanish 6 Spe 78 p 10 PY

[Text] Domingo Laino, vice president of the Authentic Radical Liberal Party (PLRA), received a strong warning from the government today. The former opposition deputy was summoned to a meeting with the under secretary of the Interior Ministry, Miguel Angel Bestard.

At the meeting which lasted approximately 20 minutes, Bestard told Laino that the government does not approve of the so-called "National Agreement" of opposition organizations. He told Laino that if he persists in aggressively creating the "National Agreement," the national government will take the necessary measures, including sending him into exile.

Bestard also told Laino that instead of trying to form alliances with other organizations, it would be better to try to unite his own party, which is known to be divided.

Official sources confirmed today that Chirstian Democratic leader Luis Alfonso Resck and Febrerist Party leader Angel Bernal have been detained for "questioning." It was unofficially reported that they will be released today or tomorrow.

Regarding the detention, the coordinating board of the so-called National Agreement stated that "no intimidation of any kind will make us change the course we have chosen for the democratization of the country, which is the fervent desire of all the Paraguayan people."

POLICE CHIEF QUESTIONS RIGHTS LEADER ABOUT HUNGER STRIKE

PY051546Y Asuncion HOY in Spanish 3 Sep 78 p 10 PY

[Text] Chief of Policy Gen Alcibiades Britez had a talk with Mrs Carmen de Lara Castro yesterday. The talk was held at 0930 in the office of the police chief, who had summoned Mrs Castro for their talk.

After the talk, Mrs Lara Castro, who is president of the Human Rights Defense Commission in Paraguay, revealed that the police chief told her that "he had invited her for a talk because he had information that she had been inciting prisoners to go on a hunger strike."

During the 40-minute talk, General Britez said that the prisoners' condition was not bad and asked Mrs Lara Castro "to try to calm things down and to urge those on hunger strikes, through their relatives, to stop the strike." Mrs Lara Castro said she told the police chief that she has never incited anybody, much less prisoners with whom she had no direct contact. She added: "If I had had anything to say, the hunger strike would have started after 15 August, not on 11 August as it did."

Mrs Lara Castro also said that "if I or my house can offer any relief for the desperation of relatives of prisoners, I will always give as much help as I can." The president of the Human Rights Commission said: "The police have remained closed to our complaints."

Asked if she would ask the hunger strikers to stop striking, Mrs Lara Castro replied: "I will inform their relatives about the talk I have had with the police chief, but I cannot ask them to mediate to stop the hunger strike."

Thirteen of the 17 prisoners in Emboscada who began the hunger strike on 11 August are continuing it, trying to gain their freedom. Five prisoners were set free last Wednesday.

The relatives of the hunger strikers reported that their physical condition is declining because they are taking no food, except water, tea or coffee. It was learned that some relatives of prisoners have resumed their hunger strike in Caacupe because the promise to release the prisoners was not fulfilled.

Relatives and friends of engineer Virgilio Bareiro, who is being held in prison in the third police district of this capital, are seriously concerned about his situation.

They said that Bareiro has been in prison 14 years and that lately he has shown signs of serious mental disturbance which requires medical care. Bareiro's relatives said they have repeatedly requested that a physician in whom they have confidence be allowed to examine him, but that their requests have been unsuccessful.

'NATIONAL AGREEMENT' GROUP SUPPORTS HUNGER STRIKE

FY2813585Y Asuncion HOY in Spanish 28 Aug 78 p 8 FY

[Text] The coordinating Board of the National Agreement [Acuerdo Nacional] held a long meeting last night with representatives of the Febrerista Revolutionary Party (PRF), the Authentic Radical Liberal Party (PLRA) and the Christian Democratic Party (PDC) present. After considering aspects related to the political platform of this group, it was decided to send a delegation to Emboscada Prison with instructions to express the solidarity of the National Agreement with the political prisoners who are carrying out a hunger strike. This task was given to Domingo Laino [PLRA], Anibal Recalde Sosa [PDC] and Humberto Perez Caceres (PRF).

RADICAL LIBERAL PARTY LEADERSHIP REORGANIZED

FY0213237 Asuncion ABC COLOR in Spanish 2 Sep 78 p 14 FY

[Summary] The Directive Board of the Radical Liberal Party issued a communique yesterday confirming that the board has been reorganized as follows: German Acosta Caballero, president; Aniano Denis Estigarribia, vice president; Carlos Baranda, second vice president; Ramon Lezcano Torres, secretary general; Luis Jara, recording secretary; Emilio Forestieri, treasurer; and 23 members.

COURT REFUSES TO RECOGNIZE FOUR POLITICAL PARTIES

FY0600277 Asuncion ULTIMA HORA in Spanish 4 Sep 78 p 9 FY

[Summary] The Central Electoral Court has released a communique stating that the Christian Democratic Party (PDC), the Authentic Radical Liberal Party (PRA), the United Liberal Party and the Liberal Tee-Te Party are not to be considered political parties because they have not been recognized by the court.

MINERS RETURNING TO WORK; GOVERNMENT EMPLOYEES STRIKE

Curfew in Marcona

PA052038Y Madrid EFE in Spanish 1521 GMT 5 Sep 78 PA

[Text] Lima, 5 Sep (EFE)--The Peruvian Government has imposed a curfew in Marcona following disturbances there aimed at preventing the striking miners from returning to work in the state-owned "Hierro Peru" mine.

According to information released today, Tuesday, in Lima, picket lines formed by strikers blocked access to the firm's work areas.

About 3,000 persons, including parents and students, then marched down the streets of Marcona, south of Lima, demanding the release of those arrested.

Navy personnel dispersed the demonstrators with tear gas.

The incidents continued and barricades were erected to prevent "Hierro Peru" buses from picking up the firm's workers.

The Marcona security office also ordered classes in the area's eight schools to be suspended.

Marcona has been under military control since the government decreed a state of emergency and suspended civil rights a few days ago to control the mine areas on strike.

In the rest of the country, the strike situation was officially defined today as having "a marked tendency" toward the resumption of work.

Miners Reportedly Return

PY061410Y Lima Domestic Service in Spanish 1200 GMT 6 Sep 78 PY

[Text] According to labor authorities, nearly all the miners returned yesterday to their jobs, thus normalizing the situation in the majority of the mines that have been affected by the strike.

Work was returning to normal levels today in those production centers where the workers had not totally returned to work yesterday.

The government deadline expired today. Through a communique, the armed forces requested that the workers put aside their grievances and return to work. They also authorized the enterprises to rescind the labor contracts of those miners who did not return to work and hire new personnel.

In view of the workers' decision, the situation returned to normal in Toquepala [words indistinct] where there is a metallurgical complex.

In [name indistinct] belonging to Marcona, work was partial and only at noon did the workers begin to slowly return to work.

At Cerro Verde, a Peruvian State Mining Enterprise copper mine in Arequipa, white-collar attendance was total while only 90 percent of the miners appeared for work.

In central Peru, where the Central Peruvian Mining Enterprise operates, the situation is slowly returning to normal. In Huancavelita and other mining centers, attendance was total.

Energy and Mines Minister Gen Juan Sanchez Gonzalez stated that this is not the time for strikers but for the maximum production and exploitation of our natural resources [transmission interrupted]

Violence in Lima

PA062326Y Paris AFP in English 2303 GMT 6 Sep 78 PA

[Text] Lima, Sep 6 (AFP)--Agitation and violence hit Lima today, as Peruvian civil servants protested against a move to reduce the number of bureaucrats, and police ejected 4,000 striking miners from the Medical Faculty buildings in which they had been sleeping.

Protesting civil servants took over the streets of the capital, and almost all of Lima's shops were closed this afternoon.

Traffic was greatly reduced. Groups of demonstrators continued shouting slogans against the military regime even as police patrolled the streets.

Thousands of civil servants, from almost all the ministeries and various government and para-governmental agencies, struck for 24 hours to protest against a law providing for a cut-back in their numbers as part of a government economy program.

Meetings and parades were quickly organized, as demonstrators brandished posters and shouted slogans on behalf of labor solidarity; against the use of armed force; and in favor of the country's miners--who have been on strike since Aug 4.

Police appeared in mid-morning, on foot and in vehicles, to disperse the demonstrators. They threw tear-gas grenades, driving the demonstrators back, but the protestors managed to regroup and some [word indistinct] took place, with some injuries.

The eviction of the miners took place this morning, after some doors were broken at the Medical Faculty, which they had been occupying since arriving in Lima on Aug 14.

Victor Cuadros, secretary general of the Federation of Mining and Metallurgical Workers, said that there were injuries and deaths during the repression, but that no bodies had been found. He said some miners had been put on a train to be taken back to central Peru.

He added that he would ask for an emergency meeting of the Constituent Assembly, of which he is a member, to condemn government repression and seek a solution to the mining conflict. He said that the strike of some 40,000 miners was continuing nationwide, except in the [word indistinct] copper mine in southern Peru and at the nearby refinery of Ilo.

APRIST PARTY REPORTEDLY UNDERGOING REORGANIZATION

PA070222Y Madrid EFE in Spanish 1827 GMT 5 Sep 78 PA

[Text] Lima, 5 Sep (EFE)--The Peruvian Aprist Party is undergoing a reorganization, according to veteran leader Victor Raul Haya de la Torre.

This news, which was reported today in the political section of the local newspapers, went over "like a lead ballon" among the Aprist members.

Observers have interpreted this move as an indication of the advancement made by the party's left wing, considering the composition of the reorganization committee.

The committee chairman is Joint Secretary General Armando Villanueva, who has repeated many times that "APRA" is a "democratic leftwing" party.

According to Aprist circles, the measure presupposes a readjustment in "the party apparatus" with an eye to future general elections and coming to power "through suffrage."

The APRA drew the largest number of votes in the constituent elections of last 18 June and Haya de la Torre, its founder and chief, is the incumbent president of the Constituent Assembly.

After the assembly draws up a new constitution, general elections will be held for a return to civilian rule, according to repeated announcements by the present military government.

$200-MILLION FUND AVAILABLE FOR INVESTMENT

PY021402Y Lima Domestic Service in Spanish 1200 GMT 2 Sep 78 PY

[Text] The Financial Development Corporation [COFIDE] is offering the country's business and productive sectors approximately $200 million in foreign currencies. According to a spokesman for this organization, the funds are to be assigned to investment projects, working capital and preinvestment activities. COFIDE's promotion and investment department is ready to provide ample information on the available lines of credit.

BRIEFS

OFFICIAL TO SOVIET UNION--Gen Jorge Chavez, chief of the National Planning Institute, left for the USSR to attend the World Health Organization conference which will be held in Alma Ata. During his stay in the USSR, General Chavez will meet with members of other delegations to exchange opinions regarding health planning. [Text] [Lima Domestic Service in Spanish 1200 GMT 6 Sep 78 PY]

MINISTER TO ECUADOR--Peruvian Navy Minister Jorge Parodi Galliani has left for Ecuador in response to a special invitation extended by the Ecuadorean Navy operations chief. [Lima Domestic Service in Spanish 1200 GMT 4 Sep 78 PY]

PRC SCHOLARSHIPS--The National Scholarship and Educational Loans Institute has organized a contest to award university-level scholarships offered by the PRC in the fields of medicine, science and engineering. The period of studies includes from 4 to 5 years of university schooling and 1 year of language training. [Text] [Lima Domestic Service in Spanish 1200 GMT 2 Sep 78 PY]

BLANCO PARTY MEMBERS TARGET OF POISONING ATTEMPT

PY0615l4Y Buenos Aires TELAM in Spanish 1210 GMT 6 Sep 78 PY

[Text] Montevideo, 6 Sep (TELAM-EFE)--Uruguayan political circles were shocked today when it became kno that there has been a plot to poison three former legislators, a plot which cost the life of one of their wives. Police have confirmed that there was a strong poison in bottles sent with anonymous notes to members of the National Party (Blanco Party). Cecilia Fontana de Heber, the wife of former Senator Mario Heber, died yesterday, Tuesday, a few minutes after taking a few sips of wine.

The wine bottle, together with two others, was found in a box by a maid in former deputy Luis Alberto Lacalle's home. Each bottle had a card with the name of a former legislator of the Blanco Party: Carlos Julio Pereira, Mario Heber and Luis Alberto Lacalle.

Lacalle has said that he had handed them over to the addressees, and that he decided to throw away his bottle without letting anybody drink from it since his family felt suspicious about its contents. All three bottles had a note handwritten in heavy strokes saying: "On Thursday, 31 August, at noon we will drink a toast to the fatherland on its new path."

On Tuesday, Mrs Heber opened the bottle and drank some of the wine. She then asked that it be thrown away since it had a strange taste. Family members said she died shortly afterward.

Police reported this morning, Wednesday, that an analysis confirmed that the bottle received by Pereira and the drops still found in Heber's bottle showed traces of the powerful poison fosdrin which is used to kill foxes and magpies. No autopsy of Mrs Heber's body has been made yet.

Police officer Vicente Campos Hermida, chief of the drug brigade of the Uruguayan police, has said that he could not remember any such attacks having taken place in the country before. Police released three communiques today in which the event is reported and cooperation is requested from the public to identify the criminals. Campos Hermida also said there are some clues which might be useful, although there is still no proof.

A public announcement was also made requesting the presence of taxi drivers who had driven a person with a packet wrapped in paper on the night between Monday, 25 August, and Tuesday, 26 August, [as received] in the Pocitos residential district.

The three addressees of the fatal bottles are members of Blanco sectors opposing the civilian-military government installed in June, 1973. Pereira was vice-presidential candidate in the 1971 elections on the slate headed by Wilson Ferreria Aldunate, now in exile in Europe. Pereira, Lacalle and Heber had a meeting in Montevideo a few weeks ago with Fernando Alvarez de Miranda, president of the Spanish Congress of Deputies.

Full-Scale Investigation Promised

PY0702l8Y Buenos Aires TELAM in Spanish 2300 GMT 6 Sep 78 PY

[Excerpts] Montevideo, 6 Sep (TELAM-EFE)--Uruguayan Interior Minister Hugo Linares Brun stated here today that the plot which cost the life of the wife of a former opposition legislator was done for political reasons and was a rotten and murderous action aimed at undermining the foundations of the country.

The minister stated that the plot aims at eliminating the tranquillity of the people and creating chaos. He asserted that the whole government, in cooperation with the people, will begin a full-scale investigation for the perpetrators.

To avoid new victims of what appears to be a plot against Uruguayan politicians, the police today asked the people not to drink wine received as gifts.

NAVAL CHIEF DENIES RUMORS OF GOVERNMENT CHANGES

PY041802Y Montevideo Cadena de Oro del Interior in Spanish 1600 GMT 4 Sep 78 PY

[Excerpt] The Uruguayan Navy commander has just denied rumors that there will be institutional changes in the Uruguayan institutional process. He stated, moreover, that the objectives and deadlines which have been established will be fulfilled without any change whatsoever.

OPPOSITION LEADER BEMOANS ABSENCE OF DEMOCRACY

PYD62034Y Paris AFP in Spanish 1404 GMT 6 Sep 78 PY

[Text] Paris, 6 Sep (AFP)--In an interview published today by the newspaper LE MONDE, Wilson Ferreira Aldunate, the leading Uruguayan opposition leader, stated that the suppression of democracy in Uruguay threatens the existence of the country itself.

Ferreira Aldunate was the Uruguayan Conservative candidate who obtained the greatest number of votes in the last presidential election, but under the Uruguayan constitutional system Juan Maria Bordaberry was elected president.

He explained that this supression of democracy is a threat because the only common bond which Uruguay had as a nation was spiritual atmosphere, a system of values and a political system almost unanimously accepted.

Ferreira Aldunate noted that it was said that the 1973 coup was a reaction against the appearance of terrorist movements, but the coup took place after the complete destruction of the Tupamaros movement.

He added: It was also said that the coup was mounted to prevent gains by the left movement, but in the 1971 elections, the left, which was grouped in a broad front, obtained (?13) percent of the votes, as always.

In view of this, "the only explanation I see for this is foreign intervention," he said, placing the blame on then U.S. Secretary of State Henry Kissinger.

Ferreira Aldunate spoke about the enforcement of systematic torture. He said that 25,000 persons have been tortured in Uruguay, which has a population of 2.7 million inhabitants.

He added that the regime lacks any political support. It even lacks the support of the economic sectors whose favor it sought.

Regarding the future, Ferreira Aldunate praised the human rights policy of U.S. President Carter, who Ferreira Aldunate believes wants to avoid a new Vietnam in his backyard.

SUPPORT FOR PROPOSED OAS ACTION ON NICARAGUA STUDIED

PA060434Y Caracas Radio Continente Network in Spanish 2050 GMT 5 Sep 78 PA

[Text] Venezuela has begun diplomatic talks to determine the amount of support for presenting the Nicaraguan problem to the Organization of American States [OAS]. Last Saturday, Venezuelan Ambassador to the OAS Jose Machin requested an urgent OAS Council meeting to discuss this proposal. He will present the need to find a solution to the Nicaraguan conflict, in which dozens of persons are being killed in clashes between the public and the National Guard. The Venezuelan ambassador will surely request sanctions against gorilla dictator Somoza.

Relations between the Venezuelan and Nicaraguan governments have been very tense since last January when Pedro Joaquin Chamorro, director of LA PRENSA, was murdered. Since then the Nicaraguan political situation has deteriorated, resulting in a virtual civil war with a large number of casualties.

Response to Somoza

PA060417Y Paris AFP in Spanish 0136 GMT 6 Sep 78 PA

[Text] Caracas, 5 Sep (AFP)--In response to President Somoza's statements, a Foreign Ministry spokesman said here tonight that the Venezuelan Government will not react to provocation and will maintain its position of appealing the crisis affecting the fraternal Nicaraguan people before international organizations. Speaking before more than 100 newsmen in Managua, the Nicaraguan president accused Venezuelan President Carlos Andres Perez of being a "shameless interventionist" in Nicaragua's domestic affairs.

Somoza blamed Perez "for what might happen in Nicaragua by encouraging the subversive groups that are trying to cause a bloodbath" in Nicaragua and urged the American nations "not to support Perez' maneuvers, who is trying to provoke foreign intervention in Nicaragua."

Meanwhile, the Caracas government has affirmed that it will not permit "world attention to deviate from the Nicaraguan tragedy" and reiterated that neither the area countries nor the international organizations can ignore this tragedy, "committed as they are to protecting human rights and to condemning and preventing all crimes against humanity." It has been affirmed that Venezuela's concern over the "bloodbath" mentioned by General Somoza lies in the fact that "for that horrible genocide to be committed, two circumstances would have to exist: a ruler willing to use the armed forces against his people and a people willing to immolate themselves for their freedom and dignity."

[The Venezuelan spokesman] also recalled that the protest against President Somoza's government became widespread in the wake of the assassination of journalist Pedro Joaquin Chamorro on 10 January this year. For this reason, it is unlikely that the Venezuelan Government's appeal to international organizations is stimulating agitation in Nicaragua.

SPANISH PRIME MINISTER SUAREZ ARRIVES FOR TWO-DAY STAY

PA070215Y Paris AFP in Spanish 0149 GMT 7 Sep 78 PA

[Text] Caracas, 6 Sep (AFP)--Spanish Prime Minister Adolfo Suarez arrived tonight at Simon Bolivar Airport from Madrid to begin an official visit to Venezuela which will last 2 and 1/2 days. This is his first stop on a brief Latin American tour that will take him to Cuba over the weekend.

Venezuelan Foreign Minister Simon Alberto Consalvi welcomed Suarez at the airport.

MARGAIN MURDERERS REPORTED HIDING IN SEVERAL STATES

FL0613172Y Merida Radio Yucatan Network in Spanish 1245 GMT 6 Sep 78 FL

[Text] Mexico City, Federal District--The murderers of Dr Hugo Margain Charles are hiding in the states of Nuevo Leon, Mexico and Morelos, according to police. An observer of police movements yesterday indicated that one of the participants in the murder of Dr Hugo Margain Charles apparently has been identified by Mexico City police who yesterday requested his arrest by Nuevo Leon police.

(Hector Villagran Caleti), Nuevo Leon judicial police chief with residence in Monterey, said at noon yesterday that Gen (Arturo Durazno Moreno), director of police and traffic in that city, [presumably Mexico City] requested the arrest of a person whose name has not been revealed in that city [as heard] because he is implicated in the Margain case.

REACTION TO LOPEZ-PORTILLO'S AMNESTY PROGRAM

PA0303173Y Madrid EFE in Spanish 2250 GMT 2 Sep 78 PA

[Text] Mexico City, 2 Sep (EFE)--Several opposition groups today described as "limited" the political amnesty announced yesterday by President Jose Lopez-Portillo in his second government report.

The recently legalized Mexican Communist Party (PCM) stressed that the measure constitutes "an important step" within the framework of national politics, but indicated that its limitations deny it a general character. "The fact that the law benefits only those who did not commit crimes involving personal injury constitutes a serious limitation because many political prisoners and fugitives are accused of that," said PCM Central Committee Member Arturo Martinez Nateras.

For their part, several leftwing unions commented that when speaking of an amnesty one should not think only in terms of guerrillas. "The truth is that from the social standpoint it is more important to release those who have led or participated in strikes," noted Antonio Gershenson, leader of a group of dissident workers.

According to Mexico City Archbishop Ernesto Corripio, the measure "represents hope for peace and tranquillity," but the national committee on behalf of prisoners, persecuted or missing persons and political exiles, which is carrying out a number of actions to obtain an amnesty, described the announcement as "very limited." Nonetheless, Rosario Ibarra de Piedras, the group's leader, stressed the importance of the president's recognition that there are persons who have disappeared, according to her, at the hands of the police.

PST CITES U.S. BOYCOTT OF AMNESTY FOR POLITICAL PRISONERS

PA3122067Y Madrid EFE in Spanish 0822 GMT 31 Aug 78 PA

[Text] Mexico City, 31 Aug (EFE)--The Socialist Workers Party [PST] yesterday accused the United States of "boycotting" a requested law on amnesty for political prisoners. The recently legalized PST pointed to the U.S. Embassy in Mexico and the Central Intelligence Agency (CIA) as perpetrators of the wave of violence in this nation on the eve of the president's 1 September report to the nation. It added that the situation they desire "is an open provocation to bar the amnesty offered on 28 July by President Jose Lopez-Portillo."

The author referred to the kidnaping of Hugo Margain Charles, son of the Mexican ambassador to the United States, and to the mysterious death of Carlos Jimenez Sarmiento, member of an urban guerrilla group.

In conclusion, the PST said that "it is possible the bloody events may be attributed to the 23 September Communist League and to guerrillas willing to participate openly in the nation's political struggle." A general amnesty law for prisoners and for persecuted, missing and exiled politicians is being demanded by a committee for their defense.

ENERGY COMMISSION OFFICIAL SUPPORTS OPEC PRICE HIKE

PA312018Y Madrid EFE in Spanish 0921 GMT 31 Aug 78 PA

[Text] Mexico City, 31 Aug (EFE)--An official of the National Energy Commission stated that Mexico is satisfied with the increase in oil prices proposed by OPEC. Francisco Mondragon, the Mexican Government's OPEC coordinator, said that although his country is not a member of OPEC, the planned increase will be "greatly" beneficial for Mexico because of its high production. He added that by 1982, when Mexico expects to export more than 1 million barrels of oil a day, the increase will mean an additional income of $13.5 million a day, "or more if new prices for hydrocarbons are set."

The seventh meeting of Latin American Energy Organization ministers is expected to open here on Monday.

Mexican Oil Price Increase

PA061537Y Mexico City International Service in Spanish 0300 GMT 6 Sep 78 PA

[Text] Jorge Diaz Serrano, director general of Mexican Petroleum [PEMEX], announced that Mexico will increase the price of exported oil next year because of the decline of the dollar. He added that domestic prices will not change. He said that the government will continue subsidizing the domestic price of oil. There are things that cannot be helped, and this is one of those things, he said. Diaz Serrano said that domestic oil prices cannot be increased because it would be catastrophic. He said that any price increase for local consumption depends on the commerce secretariat.

According to Diaz Serrano, PEMEX will continue to contribute the largest amount of money of any enterprise to the state's treasury. He said that last year PEMEX paid 20 billion pesos in taxes and that this year it expects to pay 30 billion. Of this amount he explained that 17 percent is from oil byproducts, 12 percent from petrochemical products and 50 percent from exports. He admitted that the decline of the dollar on the international market affects sales abroad, which are in dollars, but added that it also has its advantages since most debts are in dollars.

LOPEZ-PORTILLO OPENS NINTH OLADE MINISTERIAL MEETING

PA050450Y Madrid EFE in Spanish 2058 GMT 4 Sep 78 PA

[Excerpt] Mexico City, 4 Sep (EFE)--The ninth ministerial-level meeting of the Latin American Energy Organization [OLADE] began here today with warnings about excessive use of energy resources and a new energy crisis. The meeting, opened by Mexican President Jose Lopez-Portillo, will end on Thursday. One of its objectives is to create a financing system for regional energy programs.

Representatives of 16 countries are in attendance: the energy ministers of Argentina, Bolivia, Ecuador and Mexico and high-level delegates from Brazil, Chile, Costa Rica, Cuba, Jamica, Panama, Guatemala, El Salvador, Haiti, Peru, the Dominican Republic and Venezuela.

At the opening ceremony OLADE Executive Secretary Carlos Miranda Pacheco stressed that this meeting "should make decisions to outline OLADE'S course over the next few years." After criticizing the habit of wasting energy sources, particularly those derived from hydrocarbons, Miranda said that the world should prepare for a "transitional period" even more difficult and troubled than that of the 1974 oil crisis. Consequently, he continued, Latin America should "design and enforce, individually and collectively, a number of measures that will constitute a short and medium-term energy development strategy" and incorporate it into each country's development plan.

Regarding the financing system, Miranda said it is hoped decisions will be made at this meeting that will allow it to be implemented in the near future. Such a system would allow Latin American countries to obtain credits on favorable terms to carry out work related to the production and distribution of energy without resorting to non-Latin American financial organizations.

For his part, Mexican delegate Jose Andres de Oteyza, secretary of patrimony and industrial development and chairman of the meeting, spoke out against waste of energy resources and asked for the development of additional energy sources.

Financing Organization Established

PA062154Y Paris AFP in Spanish 1955 GMT 5 Sep 78 PA

[Text] Mexico City, 5 Sep (AFP)--The ministers of the Latin American Energy Organization (OLADE) countries agreed today to establish a joint financing organization for energy.

In the morning session of the 9th ministerial OLADE meeting, there were 13 votes in favor of this measure. Venezuela abstained and Brazil voted against it. The resolution was proposed jointly by Mexico and Ecuador.

The organization will begin operations in January 1980. The fund will be provided with an initial $5 billion in operating capital and individual country quotas will be made in accordance with OLADE regulations.

Venezuela explained its abstention by stating that "it has very grave doubts regarding its efficacy." Brazil said the time is not right for taking this step because it already has commitments with international institutions regarding energy matters.

The common fund will finance energy expansion projects of OLADE member countries even though the Brazilians "reserve" the right to contribute or not, said Mines and Energy Secretary General Webster Araujo.

COMMENTATORS HIT ROYO'S NOMINATION, ASK TORRIJOS TO REMAIN

PA061510Y Panama City Radio [illegible] Network in Spanish 1100 GMT 5 Sep 78 PA

[Statements by Julio Ortega and Ramon Pereira, Jr during the "Resumen Informativo" program--live]

[Excerpts] [Ortega] By the way they have reacted to Royo's nomination for the presidency of the republic, it looks like the people have matured, and we are gl[illegible] if it is true. As a matter of fact, there has not been a sector in the county that has not analyzed or said something about it.

As education minister, Royo promoted the vocational school system in rural areas, which used textbooks containing Marxist and Cuban communist ideologies. Under his tenure as education minister, Cuban teachers and Chilean experts have been allowed in Panama. If he should become the president of the republic it would not be long before we had Soviet experts as well, and why not Martians too? Some people are wondering if Royo is a communist or if he is just playing smart to get what he wants.

Since Chief of Government Torrijos mentioned Royo's name as the presidential candidate, many rumors and stories have been circulating. Speculation on the real purpose behind General Torrijos' move is varied. Some say that by nominating Royo, General Torrijos relieved the pressure on him from some presidential candidates. Once Torrijos named Royo, he was able to relax, because as the election draws closer, more people will be telling the chief of government about their accomplishments while, at the same time, informing him of their presidential aspirations. There is another version, attributed to international news reports, which says that Torrijos' decided to surrender the chief of government position because he did not have the support of a majority in the Assembly of Corregimiento Representatives to guarantee his reappointment. A third version says that Royo was nominated because of his friendship with Sol Linowitz, who probably recommended him to General Torrijos now that Panama and the United States are partners in the canal and Panama is under the Pentagon's protection. This version also says that the next U.S. ambassador to Panama is a very close friend of Linowitz and that this also perhaps contributed to the nomination--to comply with a diplomatic request from the U.S. Government.

However, what really worries the people is that Royo, in fact, is going to be the president of the republic.

I have learned from reliable sources that Royo's nomination has not been accepted very well in some government circles, which expected that the chief of government would have conducted further consultations before making the announcement. Apparently, the decision was reached after consulting with certain advisers and is a political action.

[Pereira] In my opinion, if General Torrijos remains only as chief of the National Guard and nominates someone else for the presidency, we are going to have a sort of sword of Damocles over our heads. If Torrijos or the National Guard high command should decide that they do not approve of the president's actions, they could just move in and take over, thus returning us to where we were in 1968. It is preferable for General Torrijos to run for president. If he does, he will certainly be elected and in that way the country can perhaps be put back on the normal course of democracy, even if, at some future time, the country decided that it is necessary to hold new elections with the participation of political parties and to elect the president by direct vote.

If this is carried out, we would be on the normal path for the free participation of political parties. However, if Torrijos decides to be only the chief of the National Guard and to allow others to run the country's political life, we will be heading for trouble.

[Ortega] Let this be clear: We are not necessarily against Royo but we would like the people to have something to say about the person they want for president of the republic. At present, the people's only alternative is to exert some pressure on their representatives either to approve or disapprove Royo's nomination. In my opinion, the corregimiento representatives should appoint General Torrijos as president of the republic so that he will go down in history as the president of Panama and try to put this country on the path of a civilian process that would create the necessary conditions for a return to progressive democracy while, at the same time, taking the necessary steps to prevent the ideological penetration that is occurring in local political developments.

'Equilibrium' of Candidates

PA061723Y Panama City MATUTINO in Spanish 4 Sep 78 p 6-A PA

["Juzgue el Pueblo" column by Ricardo Lince]

[Text] The moment that General Torrijos recommended the Royo-de la Espriella presidential ticket during a meeting with corregimiento representatives in Farallon last week, the people reacted, making all sorts of statements about the nominations and their effect. All kinds of predictions have been made.

Journalists, as citizens, are also entitled to state their opinion so that the people may evaluate it. Those who write have the responsibility of making their thoughts known to the people. I think that the Royo-de la Espriella ticket represents the equilibrium that exists within the government between the moderate leftist and rightist tendencies. On the one hand, Royo represents the revolutionary groups, which pursue bold social changes but without going to upsetting extremes. On the other, there is de la Esperiella, who as a banker represents within the revolutionary government the defense of capital and its operations.

Both of them have the support of very influential groups. Royo is the leader of 10 years of revolutionary struggle. He has clear objectives concerning social conquests and a commitment to consolidate the achievements of the process. De la Espriella appears to guarantee stability and the deepening and rapid expansion of Panama as an international financial center. With the record of the two candidates, Torrijos' political maxim "neither with the right nor with the left, with Panama" appears more viable.

Torrijos' renouncement of the presidency and the post of chief of government will make it easier for him to be a presidential candidate and to win power in future elections, which will give him the authority that direct popular voting provides. Torrijos is moving the pieces on the political chessboard to assure himself 12 more years as the decided leader in national politics.

The large commitment assumed by Royo and de la Espriella will be that of guaranteeing the continuity of the regime, but based on a functional democracy and impartial conduct. They have the necessary political strength. They also have more than enough skill to attain their objectives. Royo will separate himself from his ministry today to underline his impartiality and that of the government. I think that he should also separate himself from the high-level commission that is developing the law on political parties so that he will not be a judge and plaintiff at the same time.

His status as treaty negotiator puts Royo in a privileged position, as president, to insure the strict application of the canal treaty. His academic and professional background--he is an attorney--should help reestablish the dominion of legal norms in the country and to provide the laws, along with the authority, that must rule the civic life of the republic.

U.S.-Torrijos Election Deal

PA061815Y Panama City CRITICA in Spanish 4 Sep 78 p 4 PA

["Bona fide" column by Camilo O. Perez: "Could Our Questions be Answers?"]

[Text] The Liberal Party will nominate Dr Arnulfo Escalona as presidential candidate in the election to be held by the Assembly of Corregimiento Representatives on 11 October 1978. Thus, the official candidate already has opposition. We have only to see what position will be taken by the Panamenist force, Christian Democracy and the other opposition groups.

Aristides Royo will have to wage a fierce battle to insure his election, unless General Torrijos' recommendation is transformed into another type of echo and the popular sectors pressure Torrijos into running for the presidency of the republic.

However, we do not know what type of commitment exists between the government and President Carter. We say this very cautiously and with much prudence. There is something cooking in the political pot and the State Department has made estimates on how to stop the influence of the famous Korean "chuche" in Panama.

And, in order to better understand his message when he said that he would return to the garrison, we ask: What are General Torrijos' commitments?

Did General Torrijos ever withdraw from the garrisons? What has Mr Carter asked Torrijos for in connection with the treaties that will go into effect next year?

What does General Torrijos' declaration hope to achieve when we do not even know what the constitutional reforms will be?

What is the relationship between the Royo's candidacy and the incidents at the University of Panama and the nation's high schools?

People continue to ask questions. And so do we. We are not asserting anything, but we clearly see that General Torrijos knows a lot--he has read Ho Chi Minh, he converses with Tito and holds dialogs with more philosophers than before. It is a very simple strategy. You deal a blow. Blows continue in rapid succession until the moment of execution, which is sometimes very delayed. Minister Royo, who is a very bright man, said this himself. When the government wishes to make changes, it dallies a lot. The execution comes some time later without apparent reason.

In this case, everyone is asking: Is it true that General Torrijos does not want to continue as the leader of the revolution? He never stopped being the commander and is the country's only general. With the implementation of the new treaties, a total reorganization of the military body is necessary and it is obvious that General Torrijos needs time to do it, to make promotions and for his own promotion to division general.

1979 OPERATING BUDGET TO BE INCREASED BY 11 PERCENT

PA070257Y Panama City Domestic Service in Spanish 2230 GMT 6 Sep 78 PA

[Text] The operating budget for the 1979 fiscal year will show an 11-percent increase, according to statements made yesterday by a Planning and Economic Policy Ministry spokesman. The spokesman said that this increase will permit a balance between the national government revenue and an efficient and rational operation of the various activities of the administration.

This increase will serve to maintain a strong public investments program that will create employment, generate new income and increase national production. The public investment budget for 1979 could surpass 500 million balboas and it will be financed through contributions from the public sector and the central government as well as from resources of financial institutions and international banks.

Expenses of government institutions could amount to some 270 million balboas, which can be fully financed through the fiscal income. The planning ministry spokesman explained that the priority sectors in this budget will be education, health and labor in order to distribute funds available for the necessary improvement of our population.

VICE PRESIDENT SPEAKS AT CORREGIMIENTO REPRESENTATIVES' CEREMONY

PA020215Y Panama City CRITICA in Spanish 1 Sep 78 pp 1, 27 PA

[Article by Jorge Mombeliard: "Panama Lives as Real Democracy"]

[Excerpts] "Panama lives today as a true democracy, not a ficticious or cosmetic democracy," Vice President of the Republic Gerardo Gonzalez said during the presentation of credentials to the corregimiento representatives elected in the [Panama] Province.

Gerardo spoke briefly after the presentation of credentials to the 98 community leaders who became corregimiento representatives on 6 August.

The vice president, who presented most of the documents, said that this new assembly will have more legislative power. Referring specifically to the responsibility of strengthening its structure, the vice president said that Gen Omar Torrijos' administration will not interefere in any way in the choice of the assembly president or its vice presidents and that Torrijos will remain, as he has always been, uninvolved in this matter.

"Whatever candidate you choose will be acceptable," Vice President Gerardo said as he was cheered by people attending the ceremony. He then said that "Torrijos will meet with the representatives in the near future to discuss matters of national importance."

He also said that he was aware that five representatives, four of them reelected, aspired to the presidency of the National Assembly. They are: Raul Montenegro of the San Francisco de la Caleta Corregimiento; Dario Gonzalez Pitti for El Progress Corregimiento in Baru, Chiriqui Province; Victor Corrales Nunez from La Colorada Corregimiento, Veraguas Province; David Heres from Colon Province, and others.

Elsewhere in his brief but thoughtful remarks, Gerardo emphasized, referring to the ceremony, that "we are closing a political cycle in Panama." He praised the peaceful, orderly and enthusiastic conduct of the Panamanian people, who buried under a mountain of votes the divisionists who appealed to electoral abstentionism.

The presentation ceremony was attended by cabinet ministers, members of autonomous and semiautonomous institutions, supreme court magistrates and all high-ranking officials of the Electoral Tribunal including its president, Luis Carlos Noriega, who has worked intensively, with the other members of this institution, in distributing credentials in all the provinces.

PANAMA-USSR PROJECTS ANNOUNCED BY DELEGATION LEADER

PA052044Y Panama City Domestic Service in Spanish 1730 GMT 5 Sep 78 PA

[Text] Pedro Brin Martinez, chief of the Panamanian mission that is touring socialist countries in Eastern Europe, said that after the talks held with authorities of those nations a period of fruitful relations with our country has opened. He pointed out that the socialist community wants to adhere to the canal agreement signed by Panama and the United States in September 1977. He also cited interest in opening embassies and expanding economic and trade relations. The Panamanian delegation visited the USSR, Poland, Czechoslovakia and the German Democratic Republic. These countries showed great interest in purchasing Panamanian bananas.

Among the agreements reached between the governments of the socialist sector and the Panamanian Government delegation, a Soviet mission will visit Panama to jointly study the possibilities of cooperation in and financing for the construction of a heavy industry for repairs in the sugar sector. The Soviet Government will cooperate with Panama in the construction of the Teribe-Changuinola hydroelectric plant in Bocas del Toro.

PANAMANIAN TRADE MISSION TO VISIT EEC COUNTRIES

PA070237Y Panama City Domestic Service in Spanish 2230 GMT 6 Sep 78 PA

[Excerpt] A trade mission composed of Panamanian officials and businessmen will leave next Saturday to visit the European Economic Community [EEC] to establish new economic relations. The mission was organized by the Commerce and Industry Ministry's foreign trade department in conjunction with the Foreign Ministry in order to promote Panamanian exports.

The EEC includes the most industrialized groups in the West and, through a cooperation program with Panama, has financed part of the mission's expenses. The delegation is headed by Carlos Castaneda, who informed Radio Libertad of the primary objectives of this trade mission.

[Begin Castaneda recording] The purpose of this mission is to allow the Panamanian businessmen to become acquainted with the EEC and establish direct relations with the primary importers of the products they represent. The visit will last approximately 22 days, during which the mission will visit Belgium, the Netherlands, the FRG, Denmark and France. [end recording]

CONSUL GENERAL TO GUATEMALA APPOINTED

PA011457Y Panama City Circuito RPC in Spanish 1220 GMT 1 Sep 78 PA

[SERCANO Network]

[Text] The Foreign Ministry of the republic has announced that Mrs Rosina Famiglietti has been appointed as consul general of Panama in Guatemala City, with duties as charge d'affaires until an ambassador is appointed.

COSTA RICA

OFFICIAL ACTION PLANNED TO SAVE NICARAGUAN PEACE

PA060428Y Paris AFP in Spanish 0139 GMT 6 Aug 78 PA

[Text] San Jose, 5 Sep (AFP)--Costa Rican President Rodrigo Carazo announced here tonight that "I have sent Foreign Minister Rafael Angel Calderon to Honduras, El Salvador and Guatemala to hold talks with his counterparts and seek a peace formula for Nicaragua."

President Carazo then affirmed that "Costa Rica is a country that respects the principle of nonintervention, but it wishes to cooperate so that all Nicaraguan brothers without distinction of any kind may find a peaceful path that prevents the sacrifice of human lives." In keeping with his policy of total frankness, Carazo said, "We have notified the Nicaraguan Government of our intentions."

Carazo also disclosed that he had talked on the telephone with Guatemalan President Gen Fernando Romero Lucas, with Salvadoran President Gen Carlos Humberto Romero and with the leader of Honduras, Policarpo Paz, about Nicaragua's difficult situation.

Calderon in Honduras

PA062011Y San Jose Radio Reloj in Spanish 1730 GMT 6 Sep 78 PA

[Text] This morning Costa Rican Foreign Minister Calderon Fournier initiated efforts for the joint action of the Central American governments to restore peace and calm in Nicaragua. The foreign minister spent the morning in a meeting with Honduran Chief of State Gen Policarpo Paz and with Honduran Foreign Minister Roberto Palma Galvez.

According to reports, the talks have had positive results since the Honduran Government has accepted the Costa Rican proposal. At this moment, Calderon is having a private lunch with Palma Galvez and Chief of State Policarpo Paz. It has been reported that at 1400 he will leave for El Salvador, where he will meet with Salvadoran chief of state Gen Carlos Humberto Romero and Foreign Minister Jose A. Rodriguez. The Costa Rican Foreign Minister will spend the night in El Salvador and will leave early in the morning for Guatemala, where he will conclude the assignment given to him by President Carazo.

Communists Condemn Efforts

PA062225Y San Jose Radio Reloj in Spanish 1730 GMT 6 Sep 78 PA

[Text] The Communist Party, through former Deputy Arnoldo Ferreto Segura, has issued a declaration criticizing the initiative of the government of President Rodrigo Carazo aimed at creating a bloc of Central American countries for studying peace alternatives for Nicaragua. The following is a text of the declaration:

[Begin Ferreto Segara recording] Now that the people of Nicaragua are increasingly participating in a more organized, resolute and defined way to overthrow the Somoza dictatorship, international interventionist trends are emerging, aimed at interfering with and frustrating the revolutionary and democratic process taking place in Nicaragua. In this regard, the efforts of our country's government to call upon the dictatorial Central American governments--those of Honduras, El Salvador and Guatemala--to form an interventionist bloc with Costa Rica to stop the democratic and revolutionary process going on in Nicaragua, are to be repudiated.

We must also state our opposition to the proposals requesting the OAS, that is, the ministry of colonies of U.S. imperialism, to intervene in Nicaragua. The 45 years of dictatorship under Somoza are the result of intervention by U.S. marines in that country, and the support given by the U.S. Government to the dictatorships of the Somoza dynasty. It is a shameless action to now promote the intervention of the OAS--which we all know functions as a tool of the U.S. State Department--in Nicaragua and to stop the democratic and revolutionary process going on in that sister country. Only the Nicaraguan people have the right to forge their own future. What is the meaning of the principle of self-determination if the Government of Costa Rica and other Central American governments, or the OAS, or the State Department, are allowed to interfere in decisions that only the Nicaraguan people should make? [end recording]

Sandinists Protest

PA070002Y San Jose Radio Reloj in Spanish 1730 GMT 6 Sep 78 PA

[Text] Sandinist leader Leonel Cabezas Chavez and a group of other Sandinists today protested the visit of Foreign Minister Rafael Angel Calderon Fournier to several Central American countries. Cabezas described the visit as a farce because most of those governments are dictatorships which have supported Somoza and made available to him all kinds of supplies in order to defend himself from the rebellion of the Nicaraguan people. Cabezas noted that the Sandinists and their supporters, which are the people of Costa Rica, disapprove of this kind of foreign policy by Calderon Fournier.

Radio Reloj Faults Government

PA070012Y San Jose Radio Reloj in Spanish 1730 GMT 6 Sep 78 PA

[Station editorial]

[Text] The announcement made yesterday by the Costa Rica Government to the effect that it has offered to act as mediator in the Nicaraguan conflict has come as a surprise. We would have never wished the participation of Costa Rica as mediator in a conflict where there is no room for mediation. What mediation can exist regarding a popular decision, the decision of a people who demand the removal of Somoza?

Mediation should imply asking Somoza for his resignation, urging Somoza to leave Nicaragua with a popular and democratic government to give the people the opportunity to choose their own government in free elections. Costa Rica cannot talk about a future communist or Marxist government when Somoza has not been overthrown. Costa Rica cannot say that it is concerned about the future of Nicaragua when it is up to Nicaragua and the Nicaraguan people alone to struggle for their own liberty.

This mediation, which is not really mediation, because it is accusing a priori the next government of having a definite tendency, appears to be siding with Somoza. It also appears that Somoza is preparing for the intervention of his army in that country. [sentence as heard] The attitude of the Costa Rican Government is curious. Those of us here are anticommunists. But we are anticommunist not for the purpose of persecuting communists but because our ideological thesis is in conflict with the communist thesis. However, we are not afraid of any ideology, including the communist ideology. We are anticommunist to the same degree that communism implies dictatorship, and this is why we are against Somoza. He is a dictator. We are not afraid of a transition government that includes all the opposition groups in Nicaragua, including the Sandinist front.

GOVERNMENT POSITION ON SALARIES ANNOUNCED

PA070023Y San Jose Radio Reloj in Spanish 1730 GMT 6 Sep 78 PA

[Text] Last night Labor Minister Estela Quesada announced the government position concerning salaries for 1979. The government proposal is as follows: a 12-percent increase for salaries up to 1,200 colones; a 10-percent increase for salaries ranging from 1,201 to 2,000 colones; and a 5.8-percent increase for salaries from 2,0001 colones on up. A few weeks ago Guillermo Gonzalez Cruque, executive president of the Central Bank, proposed a 5-percent increase for salaries up to 1,500 colones, leaving other salaries unchanged.

This morning labor leaders reacted to the government salary proposal, describing it as charity. They based their statements on the fact that a Labor Ministry study revealed that a low-income worker requires a minimum salary of 60 colones per day in order to meet basic needs. Labor leaders affirmed that the government proposal would amount to 931 colones per month while the study recommended 1,800 colones per month. Labor groups believe that the government position conforms to guidelines set by management associations which have always opposed the establishment of a true salary scale. Everyone knows that prices go up and the salary increases announced by the government are merely a freeze on salaries. Therefore, we are forced to begin an open struggle against the government because workers cannot cope with the cost of living with the present salaries.

PRESIDENT CARAZO ENDORSES LABOR CONFEDERATION

PA062041Y Panama City ACAN in Spanish 1856 GMT 4 Sep 78 PA

[Text] San Jose, 4 Sep (ACAN-EFE)--Costa Rican President Rodrigo Carazo Odio spoke in favor of the Costa Rican Federation of Democratic Workers [CCTD], which in the past few years has been losing ground to leftist labor organizations. The president was speaking during a tour he made last weekend along the Pacific Coast, following a 10-day hospital strike led by leftist workers which paralyzed Costa Rican hospitals.

Carazo said: "There exists a strong labor sector which is not communist, toward which we must orient all our aspirations as citizens." Recently it was revealed that the CCTD has been losing a large number of members to the communist General Labor Confederation (CGT), which groups together a majority of government employees, banana and port workers, as well as others of vital importance to Costa Rica's economy.

CGT leaders have scored Carazo's labor policy, claiming it "defends the management class." Labor sources feel that with Carazo's support the CCTD will increase its efforts to regain the supremacy it held until a short time ago in Costa Rican labor circles.

HONDURAS

BANKS SUSPEND TRANSACTIONS IN NICARAGUAN CORDOBAS

PA060438Y Paris AFP in Spanish 0403 GMT 6 Sep 78 PA

[Text] Tegucigalpa, 5 Sep (AFP)--It was learned in financial circles in this capital today that Honduran banks have suspended transactions in cordobas (Nicaraguan currency), in compliance with Central Bank instructions. Although the Central Bank has remained silent about the measure, it was learned that it was adopted in view of Nicaragua's economic crisis. It was noted among private banks that paralysis of the main working centers in Nicaragua has been resulting in large daily losses, a situation which, added to the strike and high unemployment figures, could result in a devaluation of Nicaraguan currency and losses for other banks in countries of the area.

ARCHBISHOP SAYS POPE IS MEDIATING NICARAGUAN CRISIS

PA062030Y San Jose Radio Reloj in Spanish 1730 GMT 6 Sep 78 PA

[Text] Tegucigalpa--Pope John Paul I is mediating to reach a solution to the crisis in Nicaragua through the apostolic nuncio who represents him in that country. This was announced here today by Msgr Hector Enrique Santos, archbishop of Tegucigalpa. The Honduran prelate said that peace is necessary in Nicaragua so that the Nicaraguan people can have a normal life and can struggle for their development in harmony and within Christian norms.

NICARAGUA

OFFICIAL COMMUNIQUE LIMITS BUS CIRCULATION IN MANAGUA

PA061243Y Managua Domestic Service in Spanish 0330 GMT 6 Sep 78 PA

[Text] According to an official communique, buses will stop circulating on Managua's streets at 1900, in order to prevent attacks from subversive groups. In view of the attacks against and destruction of several of its vehicles and as a preventive measure, the national transportation council has decided that for the duration of the present situation these vehicles will circulate through the city only from 0500 to 1900.

Also, in view of the considerable losses to which owners have been subjected as a result of the destruction of their vehicles the necessary measures will be adopted to help them finance the new units that may be required (?to replace those that have been destroyed). Furthermore, the national transportation council has accepted several changes in the established routes in order to [words indistinct].

At the most recent meetings between vehicle owners and the members of the national transportation council it was stated that vehicle owners are willing to continue servicing the public with their vehicles in view of the fact that transportation is a much needed service.

SCHOOL ACTIVITIES SUSPENDED IN BLUEFIELDS

PA070212Y Bluefields Radio Atlantico in Spanish 1800 GMT 6 Sep 78 PA

[Communique released by Bluefields municipal and school authorities on independence celebrations; date, place not given--recorded]

[Text] Bluefields, Nicaragua, 6 Sep--Communique to the directors, professors, students and parents of the public and private schools of this city:

In view of the recent events that have disturbed the tranquility of this city we have considered as a measure of security the suspension of all school activities for the independence celebrations, as of 6 September. These activities will be renewed on 18 September. We appeal to your prudence and understanding.

Sincerely, [signed] Luciano Beloyde, political chief; Richard Jackson P., city mayor; Guillermo Arguello, department grade school inspector; and Luis Olmos Campbell, high school education supervisor

ALLEGED EXTREMIST KILLED BY MILITARY PATROL IN OCOTAL

PA062211Y Panama City ACAN in Spanish 1546 GMT 5 Sep 78 PA

[Text] Managua, 6 Sep (ACAN-EFE)--Leonardo Matute Hernandez, an alleged extremist, was killed 2 days ago in Ocotal, 225 km north of this capital, newspaper sources reported here today. According to available information, Matute was killed when a military patrol raided the house in which he was staying. According to a report from the army offices, Matute Hernandez tried to attack a military patrol and was shot.

The same reports say that the patrol found fragmentation grenades, subversive material and a pistol in his possession. It is also reported that a hotel in Leon, 92 km west of here, was attacked by masked men yesterday. The masked men shot Nicolas Martinez, owner of "Buenos Aires" boardinghouse, and took the money and weapons they found there.

CONSERVATIVE LEADER DISCUSSES DOMESTIC SITUATION

PA062345Y Buenos Aires LATIN in Spanish 1320 GMT 6 Sep 78 PA

[By Jorge Banales]

[Text] Managua, 6 Sep (LATIN)--Alvaro Chamorro Mora, vice president of the legal opposition conservative Party, has told LATIN that the Nicaraguan opposition "is increasing its efforts to persuade Anastasio Somoza to leave power and stop this continuous killing of each other."

Chamorro Mora, who is 38 years old, pointed out: "In this country we can still make changes through civilian channels. We are trying our best to stop killing each other, to see if Somoza can understand that he must remove himself from power."

While the political leader spoke last night with this news agency's correspondent in a Managua hotel, several devices exploded near the headquarters of the National Guard, where President Somoza is living.

Chamorro became the mayor of Granada, a city of 55,000 located 45 km south of Managua, 3 years ago when, he said, "Somoza permitted an opening and the Somozist candidate was defeated in the first popular elections in 40 years." The leader explained that, notwithstanding the impression which may be given by the name Conservative Party, the party has the largest popular following in Nicaragua and its principles have historically been "more liberal and progressive than those of liberalism itself." The Conservative Party is fragmented and Chamorro Mora is part of the legalist trend which has often been accused of collaborating with the Somoza regime, which has governed Nicaragua for more than 40 years. "But the Conservative Party, since 1947, has staged many revolutions against Somoza," Chamorro Mora explained. The party entered into an agreement with Somoza and when it was not honored the Conservatives confronted Somoza, even with arms in their hands."

The former mayor of Granada, who represented a generation that [words indistinct] pointed out that the present situation in Nicaragua can be described graphically as rhombic. "The Somozas, the National Guard, the Catholic Church and the Sandinist National Liberation Front are at the extremes, and in the middle of this 'sandwich' are the moderate democratic forces of the Broad Opposition Front (FAO)." "The opposition wants Somoza to resign in order to set up a national government with the participation of all popular sectors," he added. "This national government would be responsible for carrying out a program of reforms."

Chamorro Mora admitted that the FAO is an "ideological melting pot," whose only element of unification is anti-Somozaism, and which includes traditional parties, socialists, Social Christians and communists.

"The basic points of the FAO program include: professionalization and apoliticization of the National Guard; tax, urban and monetary reform; independence of the judicial branch; and redistribution of national revenue," he added.

The Somoza government, the Conservative leader added, is facing a serious crisis as a result of the Sandinist guerrilla operation, the popular civilian resistance expressed in the workers' and business strike, which is in its 13th day, and international pressure. "The state will truly feel the economic impact of the strike by the end of September, when the date for tax payment arrives and treasury revenues will decrease substantially," Chamorro Mora said.

The Conservative Party, which does not have a clearly defined ideology, has certain points in common with social democracy and the Social Christians, even though it does not have formal bonds with these organizations which are organized at an international level.

"The national government would be of a temporary nature and would hold popular elections, the first allowed after 44 years of dictatorship," he asserted. As for the participation of the Sandinists in this "national government," Chamorro indicated that today the democratic forces admire and support the guerrillas who fight against Somoza. However, he expressed some reservations regarding the proposal to dismantle the National Guard and replace it with "a popular army of workers and peasants." Although he does not agree with the Marxist leanings which allegedly dominate the Sandinist movement, when referring to the need for agrarian reform, Chamorro said that (?more than) redistribution of land, what should be attained is "a new way of viewing the meaning of property."

Finally, the Conservative leader said that the general strike alone will not overthrow Somoza. He discussed two possibilities in this regard: "If the general strike is accompanied by acts of violence, insurrection, it may reach a climax; otherwise the strike will continue to have, as it is having now, deep repercussions within the Nicaraguan economy, and the victory Somoza may win with the end of the strike will be short lived."

OPPOSITION FRONT PROMISES CONTINUED STRUGGLE

PA070327Y Paris AFP in Spanish 0045 GMT 7 Sep 78 PA

[Text] Managua, 6 Sep (AFP)--The Broad Opposition Front [FAO] issued a communique this afternoon asserting that they will continue their civic struggle until they obtain their objective of bringing a national government to power in Nicaragua, replacing President Anastasio Somoza's administration. The document is signed by the directors of the 12 political parties and the 3 labor centrals which comprise the front.

This statement can lead to the arrest of all the FAO directors since President Somoza has said that calls for the formation of a national government are subversive and, therefore, prohibited by the constitution. Several prominent opposition leaders have been arrested already or are being sought by the authorities because of their appeals for the creation of a national government.

Today the police surrounded the home of Rafael Cordoba, president of the Democratic Union of Liberation Coalition, in an attempt to capture him. The headquarters of the Conservative Party, the only opposition organization with representation in Congress, was also surrounded and closed down. Both groups are FAO members.

The FAO announced that because of Nicaragua's large budget deficit, the national strike is weakening President Anastasio Somoza's regime day by day through diminution of fiscal revenue and the Somoza government's inability to obtain monetary resources from abroad in the immediate future.

The strike continued today, even though there were rumors that some of the large stores had opened or were considering the possibility of opening. It was also learned that an armored column with three small tanks and heavy weapons was mobilized today to reinforce the 12th army company stationed in Leon, about 90 km west of Managua. Four hundred municipal workers went on strike, refusing to take part in the civilian patrols composed of armed employees which are being used by the government to patrol Managua during the night. The government radio said today that bomb detonations had been greatly reduced with this vigilance. Other civilian groups, sympathetic to the government, are receiving military training to confront the opposition if there is a generalized struggle.

Several fires have occurred in businesses which insisted on opening and have been attributed to sabotage on the part of opposition sectors. The threat of bombs and fires has completely paralyzed night life in Managua and the major cities in the country.

Observers comment today that in spite of the many diplomatic efforts to mediate the Nicaraguan conflict, including mediation offered from the Vatican by Pope John Paul I and by Costa Rican President Rodrigo Carazo, a solution to the crisis is still difficult to achieve. Reports from Washington received here this afternoon by persons linked to high-level U.S. diplomatic circles indicate that the United States will support Venezuela in its efforts to persuade the Organization of American States to undertake some form of mediation to solve the Nicaraguan problem.

DENIAL OF INFILTRATION INTO NICARAGUA ISSUED

PA061643Y Havana International Service in Spanish 1800 GMT 6 Sep 78 PA

[Text] Havana, 6 Sep--Local authorities categorically denied today that Cuban personnel have "infiltrated" Nicaragua or taken any part in the revolutionary actions carried out in that country. Authorized sources consulted by PRENSA LATINA said that the claim to that effect made by the morning paper CONVICCION, in the capital of Argentina, was "a new, gross and ridiculous lie of the reactionaries." Cuba, they noted, has been accused more than once of the old charge of "exporting revolution," a charge whose only visible purpose is to try to deny the revolutionary capacity of each group of people.

The Cuban weekly BOHEMIA today carried an article signed by Colombian writer Gabriel Garcia Marquez, who gives an account of the recent occupation by a Sandinist National Liberation Front Command of the National Palace in Managua.

FIDEL CASTRO TO MEET WITH EXILED CUBAN NEWSMEN

PA012329Y Paris AFP in Spanish 1743 GMT 1 Sep 78 PA

[By Alfredo Munoz Unsain]

[Excerpts] Havana, 1 Sep (AFP)--Cuban President Fidel Castro will hold an interview with a group of Cuban newsmen who live in exile in the United States. According to information obtained here by AFP, the meeting will be held during the middle of next week. This is the first time an open and public dialog will be held between sectors of the exile opposition and the Cuban chief of state. However, it was indirectly admitted in official circles that private talks have been going on for some time.

A Foreign Ministry spokesman said this morning that Castro had talked "with some personalities of the Cuban community abroad" about the recently announced liberation of political prisoners. The broad and conciliatory term "Cuban community abroad," referring to the opposition abroad, attracted the attention of those who talked to the spokesman.

The U.S. Justice Department said yesterday that Cuba has expressed its desire to release several hundred political prisoners in the near future. However, this announcement has not been officially confirmed here. Nevertheless, government officials admitted privately to AFP that they hope to reach the year's end with only "the most infamous war criminals" in prison. These are members of dictator Fulgencio Batista's regime overthrown in 1959.

On the night of 31 December the Castro regime will celebrate its 20th anniversary. Political analysts here believe that the total liberation of anti-Castro prisoners depends in part on their serving their sentences but also on the attitude assumed by the opposition abroad. It is believed that this and similar matters will be discussed at the news conference for which the Cuban chief of state will be preparing next week. The news conference will be attended by exiled anti-Castro newsmen and a small number of reporters from U.S. press media. Foreign correspondents accredited to Havana have so far received no official notification of or invitation to the press conference.

VI. CUBA

RAUL ROA ADDRESSES INTERPARLIAMENTARY MEETING IN BONN

FL070116Y Havana Domestic Service in Spanish 2130 GMT 6 Sep 78 FL

[Text] Bonn--Raul Roa, vice president of the people's government National Assembly and member of the Cuban Council of State, today condemned the unrestrained arms race, the artificial creation of a cold-war atmosphere and neocolonialism. In his remarks at the second day of sessions of the 65th world interparliamentary conference which opened yesterday with 900 delegates from 70 countries participating, Roa also denounced the establishment of an alliance of reactionary forces which are trying to roll back history.

He also called for a halt to the arms race and a consolidation of detente, cooperation and peace as the only rational alternative to prevent the start of a nuclear war which would have catastrophic consequences for mankind. He stated that since the world interparliamentary union meeting that was held in Sofia one year ago, the cardinal concern of humanity is still fixed on the problem of war and peace. He noted that if there has been any change [in this concern] since then, it has been to the detriment of the process safeguarding and [word indistinct] detente.

The Cuban vice president of the people's government National Assembly stated that in dealing with the problem of war and peace in the nuclear era it is not correct to try to hold pretentious or contradictory positions for one has to speak clearly and without evasions. He added that in this growing tendency which is bellicose, expansionist and regressive, concrete objectives [words indistinct] such as safeguarding the domination of transnational enterprises in the southern cone of Africa by way of neocolonial solutions. He also referred to the attempts to impose an understanding in the Middle East which would prejudice the territorial integrity of the Arab countries which have been invaded by Israel and the national rights of the Palestinian people. He also denounced the attempts to progressively recolonize Africa and to supress the Latin American, Asian and African liberation movements and to block Puerto Rico's right to independence, sovereignty and self-determination. He added that the promoters of this regression consider the charters of the United Nations and the OAU and the agreements of the nonalined movements and the unalienable right of peoples to work out their own destiny as something less than useless.

He stated that the arms race is a bloody business of gutless groups which implacably devour lives of millions of people. One of the most [word indistinct] obligations of the peoples, governments and parliaments and international organizations is to confront and halt the arms race. He also stated that one of the factors which most seriously deteriorates the detente process is the constant increase in mass extermination weapons. He pointed out that the struggle for detente is closely tied to the struggle to end the arms race. Roa stated that if the final document of the Helsinki conference is still in effect, and if its contents are constantly referred to, he warns that there is an unsettling polarization occurring between those making an effort to defend and comply with the agreements and those frustrating and deceiving the agreements. He also stated that the arms race is one of the basic impediments to economic development of backward countries and one of the prime movers in the economic crisis which affects almost all of humanity.

ANGOLAN CONSTRUCTION MINISTER TOURS SANTIAGO

FLO61634Y Havana Domestic Service in Spanish 1606 GMT 6 Sep 78 FL

[Excerpt] Manuel Rezende de Oliveira, construction and housing minister of the People's Republic of Angola, has visited various places of economic, cultural and historical interest in Santiago de Cuba as part of his tour of our country. The Angolan construction minister is accompanied on his visit to Santiago de Cuba by State Committee for Construction President Levi Farah and Construction Materials Industry Minister Jose Valle Roque.

CASTRO RECEIVES MOZAMBICAN DEPUTY DEFENSE MINISTER

FLO10041Y Havana Domestic Television Service in Spanish 0000 GMT 1 Sep 78 FL

[Excerpt] Our Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has received Manuel Emilio Guebuza, member of the standing political committee of the Mozambique Liberation Front (FRELIMO), political commissar of the Popular Liberation Forces and deputy national defense minister of the People's Republic of Mozambique. The other members of the high-level Mozambican military delegation--which is visiting our country in response to an invitation from Army Gen Raul Castro, PCC second secretary and Revolutionary Army Forces (FAR) ministers; and Div Gen Senen Casas Regueiro, member of the PCC Central Committee and of the Council of State and first vice minister-chief of the FAR general staff--participated in the meeting which was conducted in a friendly and cordial atmosphere.

Isle of Youth Visit

FLO22256Y Havana Domestic Service in Spanish 2239 GMT 2 Sep 78 FL

[Excerpt] Armando Emilio Guebuza, member of the standing political committee of the Mozambique Liberation Front central committee, political commissar of the Popular Liberation Forces and deputy minister of national defense of Mozambique, has arrived at the airport in Nueva Gerona at the head of a top-level military delegation.

ANGOLAN OFFICIAL ARRIVES FOR VISIT

FLO70046Y Havana Domestic Television Service in Spanish 0000 GMT 7 Sep 78 FL

[Text] This afternoon Cmdr Antonio dos Santos Franca, member of the Angolan MPLA [Popular Movement for the Liberation of Angola]-Labor Party Politburo, arrived in our country in response to an invitation from Army Gen Raul Castro, second secretary of the PCC Central Committee and minister of the Revolutionary Armed Forces (FAR). The visitor was received at Jose Marti International Airport by commander of the revolution Ramiro Valdes, member of the PCC Politburo and vice president of the Council of State; Division Generals Senen Casas Regueiro, first vice minister chief of the general staff and Abelardo Colome Ibarra, FAR vice minister, both members of the PCC Central Committee and Council of State; and other FAR chiefs and officers.

BRIEFS

INFANT MORTALITY RATE--Santiago de Cuba has reduced its infant mortality rate to 20.6 per 1,000 live births during the first 7 months of this year. This represents an 8.4 percent reduction in comparison to the same period last year. [Excerpt] [Havana Domestic Service in Spanish 1000 GMT 6 Sep 78 FL]

DOMINICAN REPUBLIC

GUZMAN RETIRES FIFTH ARMY GENERAL

PA020452Y Madrid EFE in Spanish 0322 GMT 2 Sep 78 PA

[Text] Santo Domingo, 1 Sep (EFE)--The executive branch has decided to retire another general, Maj Gen Guarionex Estrella Sadhala. He is the fifth general to be retired since 16 August, when Antonio Guzman Fernandez took office.

The higher officers of the army branches will bid farewell to Guarionex Estrella--who for several years was commander in chief of the 2d National Army Brigade--tomorrow during a military parade in his honor in the city of Santiago.

The other four retired military officers are Santos Melido Marte, Urbano Matos, Carlos Jaquez Olivero and Anselmo Pilarte.

GUZMAN DENIES VIOLATING ARMED FORCES LAW

PA030403Y Madrid EFE in Spanish 2209 GMT 2 Sep 78 PA

[Text] Santo Domingo, 2 Sep (EFE)--President Antonio Guzman today rejected the accusation made by Senate opposition leader Victor Gomez Berges that he has violated the armed forces organic law. "I have not violated the armed forces organic law, nor will I violate the national constitution or any laws during my administration," President Guzman said through his National Palace press office.

Gomez Berges had accused the president of violating that law when he dismissed the country's highest-ranking military officers with the stroke of a pen on the very same day he took office, 16 August.

Meanwhile, in a veiled way District Attorney Julio Ibarra Rios today accused Senator Gomez Berges of being a coupist when he said that the senator's statements "have the ring of conspiracy." This would make the young politician liable to prosecution by the attorney general.

"Furthermore," Ibarra Rios added, "Gomez Berges does not have the moral quality to criticize the current administration for anything because with this government the country is living under a legal regime."

INTERIOR MINISTER PLANS TO DISARM CIVILIANS

PA020239Y Madrid EFE in Spanish 0928 GMT 1 Sep 78 PA

[Text] Santo Domingo, 1 Sep (EFE)--The interior and police minister said today that the greatest problem he faces in public order is recovering weapons (more than 20,000) in the hands of the civilian population. Vicente Sanchez Baret said that the situation is difficult, stating that he knows of one former official who authorized more than 600 permits to own and bear firearms.

He said he has given armed civilians 1 month to surrender their arms. Otherwise, the government will proceed to carry out raids in the presence of judicial authorities.

It is traditional here for civilian and military officials to arm friends and followers. The custom is so deeply rooted that practically everyone here has arms, with or without official permits.

BRITISH BOATS ALLEGEDLY ATTACK DOMINICAN CRAFT

PA020040Y Paris AFP in Spanish 0439 GMT 1 Sep 78 PA

[Text] Santo Domingo, 31 Aug (AFP)--The navy general chief of staff announced last night that he has ordered "an exhaustive investigation" into the shooting attack by two boats, apparently of British registry, against a Dominican fishing boat in Dominican territorial waters. Vice Adm Francisco Amiama Castillo said that "we are looking into the facts as they are." He added: "You may rest assured that we will take action with the necessary vigor to enforce respect for our sovereignty and the life of our citizens."

The navy chief said that two wounded Dominican citizens, Capt Julio Balbuena and Seaman Cosme de la Cruz, are being interrogated. They are being treated at the military hospital in this capital.

The vice admiral said that if it is proved that there was a violation of the nation's sovereignty, measures will be adopted under international law provisions applicable to the country's territorial limits.

According to unofficial reports, the firing on the Dominican boat took place on Sunday near the Caicos Islands, British possessions in the Caribbean. The Pescamar (the Dominican boat) was drifting when the attack occurred, according to the version of the Dominican Navy commander in Puerto Plata, 235 km north of here. Dominican sources said that the attacking boats were identified as British.

It was reported that the Pescamar had sailed from the Dominican bay of Manzanilla on a fishing trip but that one of its engines had failed and the boat was dragged by currents toward the Caicos Islands, where it was attacked.

ECUADOR

STUDENTS CONDEMN ATTACK ON 'EL UNIVERSO'

PA062008Y Quito Voz de los Andes in Spanish 1738 GMT 6 Sep 78 PA

[Text] The Federation of Ecuadorean University Students has rejected the attack on the Guayaquil newspaper EL UNIVERSO staged last weekend in which several workers were injured. This attack, like others perpetrated recently, is the work of persons wanting to create the conditions for unleashing a wave of repression against the democratic sectors of our nation and opposing the constitution approved through the 15 January referendum, which reflects some of the rights and conquests of the people, such as the vote for illiterates, habeas corpus, freedom to organize into unions without prior authorization, the right to strike, prohibition of establishment of special courts, condemnation of colonialism, neocolonialism, racism, and university autonomy.

GUYANA

FISHING AGREEMENT TALKS CONCLUDED WITH BARBADOS

FL061425Y Georgetown GUYANA CHRONICLE in English 30 Aug 78 p 11 FL

[Text] (CANA) Barbados and Guyana officials yesterday concluded two days of talks here on a fishing agreement with accord reported on a final draft to be considered by the two countries.

The talks were aimed at hammering out an agreement to secure fishing rights for Barbados trawlers in Guyana's new 200-mile economic zone.

Barbados' chief delegate, Mr. Brazane Babb, who is high commissioner to Guyana, described the talks as "successful".

The negotiations were held in a "free and frank" atmosphere, and the draft would be passed to the relevant ministers for final agreement and signature, he told CANA last night.

Following two hours of discussions Monday morning, the two sides held an informal round of talks yesterday morning and then moved into another two-hour working session in the afternoon.

Mr. Babb said the draft embodied a framework agreement for co-operation between the two countries in the area of fishing.

Within the framework, specific agreements could be worked out from time to time, he said.

Barbados has a fleet of about 20 deep sea trawlers accustomed to plying in Guyana waters, which have become protected since last year by a new maritime act passed by parliament.

Should the agreement become effective, Barbados would be the second sister Caribbean community country to establish a fisheries pact with Guyana, the other being St. Lucia.

JAMAICA

OPPOSITION PARTY MEMBERS RETURN TO SENATE

FL061410Y Kingston DAILY GLEANER in English 2 Sep 78 pp 1, 15 FL

[Excerpt] Seven of the eight opposition Jamaica Labour Party senators have been re-appointed to the Senate and an eighth--a newcomer--has been named to the upper chamber.

The newcomer is Mr. Errol Anderson of the Bitu, replacing Mr. Barry Wahrmann, who is reported to have indicated a desire to reduce his political activities because of personal affairs which need his attention.

Mr. Seaga, JLP leader, has submitted the following eight names to the governor-general for appointment to the Senate:

Dr. Ronald Irvine; Mr. Winston Spaulding; Mr. Bruce Golding; Mr. Pearnel Charles; Mr. Basil Buck; Mr. Ossie Harding; Miss Princess Lawes and newcomer Mr. Errol Anderson--in for Mr. Barry Wahrmann.

Giving the reason for the reappointments, a statement from Mr. Seaga last night said: "This decision was taken concurrently with the decision of the opposition to forward a brief on the Military Intelligence Unit [MIU] of the Jamaican Defence Force and the special branch unit of the police force to the sole commissioner on corruption, Chief Justice The Honourable Kenneth Smith, for his investigation."

The statement, issued by Mr. Seaga, said in part:

"In the light of the disclosures by Albert Robinson and Lt. Col. Lloyd concerning the MIU and special branch, JLP chairman Frank Phipps earlier this week submitted a brief to the commission of enquiry on corruption for investigation, and accordingly I am acting in good faith in nominating reappointments to the Senate now in the expectation that the matter will be investigated by the Smith Commission.

"In this way my ultimatum that I would not name replacements to the Senate until an investigation was ordered into the MIU will not hang over the head of the commissioner, Chief Justice Ken Smith, in coming to his decision."

The senators had resigned en bloc on June 31 following a walkout from the Senate chamber in protest against a decision by Senate President Charles Sinclair rejecting a motion moved by Mr. Winston Spaulding, calling for a commission of enquiry into the role of the MIU in the Green Bay affair in which five civilians were killed at an army firing range while allegedly target-practising.

MANLEY ISSUES STATEMENT ON ARMY TORTURE

FL0418l0Y Kingston DAILY GLEANER in English 1 Sep 78 p 1 FL

[Excerpts] Prime Minister Michael Manley yesterday issued a statement amending his previous statement on the Col. Lloyd affair. Mr. Manley had said: "At no time in these 15 months did Colonel Lloyd protest orally or in writing to the chief of staff or to me as minister of defence or to any other member of the Defence Board about men being tortured or about any alleged failure to take action against any member of the Defense Force in connection with torture."

Following is the text of Mr. Manley's statement:

In my statement issued concerning the article written by Colonel Leslie Lloyd I stated that: 'In fact some fifteen months were to pass before any question was ever heard again about soldiers being tortured. At no time in these fifteen months did Colonel Lloyd protest orally or in writing to the chief of staff or to me as minister of defence or to any other member of the Defence Board about men being tortured or about any alleged failure to take action against any member of the Defence Force in connection with torture.'

"Although this is substantially correct a further perusal of a letter from Colonel Lloyd to me dated 20th March 1978, suggests that I should amend this part of my statement in the interest of clarification and in order to be absolutely fair to Colonel Lloyd.

"This letter followed the meeting in 1978 between Colonel Lloyd and myself to which I referred in my statement. He set out therein certain incidents about which he was questioned by the Defence Board at its meeting of the 27th April 1977, and I quote: 'That I had sent statements in proof of the torture of soldiers under arrest in camp by the military intelligence section of the Defence Force to the political directorate'.

"He further stated: 'I did send statements obtained about the torture of soldiers (item (F) above) to Mr. McGann as a minister to whom this could properly be addressed because a formal oral report on this matter to the chief of staff had resulted in an inspection by the chief of staff and the medical officer and others, but without any corrective disciplinary action being taken with regard to the incident, despite the fact that the chief of staff had said that the matter would be investigated, and action taken.

"It is to be noted that this reference to torture of persons, in his letter of 20th March 1978, was raised in two contexts:

(1) His general questioning of the legality and propriety of the Defence Board procedures of April 22, 1977;

(2) More particularly, by way of explaining why he had sent four statements alledging torture to Mr. Roy McGann instead of to the chief of staff.

"His point is clearly to explain his own actions. His letter of 20th March 1978 does not raise these matters in protest against torture but in support of his complaint that the Defence Board in its meeting of 27th April 1977 had dealt unfairly with his case.

"It is these considerations that led me to phrase my original statement in the way that I did."

GLEANER, Columnist Sued

FLD41815Y Kingston DAILY GLEANER in English 31 Aug 78 p 1 FL

[Text] A writ in the name of Michael Manley of 39 Hopefield Avenue, Kingston 6, was served yesterday on the GLEANER Company in a suit for libel filed on behalf of the plaintiff against the GLEANER and columnist John Hearne.

The writ has been issued by the legal firm of Myers, Fletcher and Gordon, Manton and Hart, attorneys for the plaintiff.

An endorsement to the writ states that the plaintiff's claim is against both defendants.

(A) For damages for libel contained in the issue of the GLEANER on Saturday, August 26, in an article captioned "Government by Torture", written by the second defendant.

(B) For an injunction to restrain the defendants from further writing, printing or circulating or otherwise publishing "the said or any similar libel."

BRIEFS

GOVERNMENT-OWNED JAMAICAN NEWSPAPER--The JAMAICA DAILY NEWS, since Friday, is published by a new, wholly-owned government company, the JAMAICA DAILY NEWS Limited--under chairmanship of Mr. Fred Wilmot. The former publisher of the paper, Communications Corporation of Jamaica, is being liquidated, and according to the liquidator, Ivan Heron, creditors are invited to submit before September 30, particulars of debts and of claims. Mr Maurice Garrison, managing director, is in administrative control of the paper. He is a member of the board. Other members of the board include Mrs. Barbara Cloudon, deputy director of tourism; Mr. Ronald Thwaites, radio commentator and attorney-at-law and Mr. K.D. Knight, attorney-at-law, who is associated with the NWU. [National Workers' Union] Other members are to be named. [Excerpt] [Kingston SUNDAY GLEANER in English 3 Sep 78 pp 1, 2 FL]

ECUADOREAN GOVERNMENT ACQUIRES COMPANY--The national government will acquire 70 percent of the stock of the (Cima de Portobelo) Company, according to Arturo Aquilera Salazar, chairman of the board of directors. Stockholders and the municipality of Zaruma formerly owned 48 and 52 percent of the stock, respectively, before the mining company's operations were halted. The government action is designed to resolve the present mining problems in Portobelo so that work can be resumed there. Aquilera said that the decision to have the the government acquire 70 percent of the company's stock was made by Admiral Poveda Burbano, president of the Supreme Council of Government. [Quito Voz de los Andes in Spanish 1730 GMT 31 Aug 78 PA]

SUBSCRIPTION INFORMATION

DAILY REPORT volumes are published Monday through Friday in both paper version (mailed daily) and microfiche version (mailed weekly). The annual subscription fee for the paper version within the United States, Canada, and Mexico is $150 for any one volume and $50 for each additional volume. This includes occasional supplements. In microfiche the fee is $100 for any one volume, $125 for two volumes, $150 for three, $200 for four, $250 for five, $300 for six, $350 for seven, and $400 for all eight volumes. Foreign subscriptions outside North America are available from appointed foreign dealers or from NTIS. For information contact NTIS. U.S. government officials may obtain subscriptions at no charge directly from FBIS. Phone 527-2368 (area code 703) or write P.O. Box 2604, Washington, D.C. 20013.

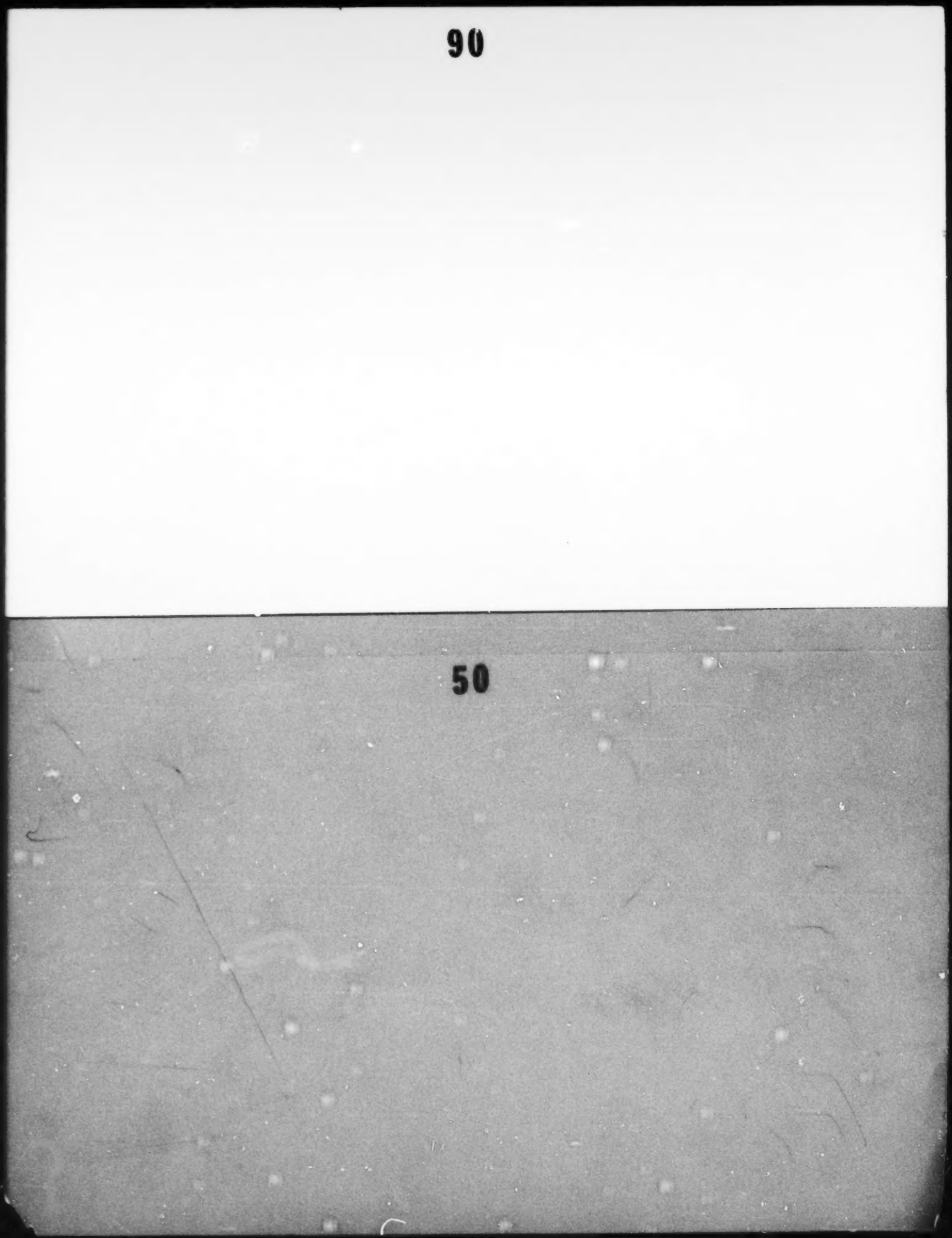
The volumes are: I - People's Republic of China; II - Eastern Europe; III - Soviet Union; IV - Asia & Pacific; V - Middle East & North Africa; VI - Latin America; VII - Western Europe; VIII - Sub-Saharan Africa. Back issues or single copies are not available. Allow 30 days for processing new subscriptions. Mail remittances, inquiries, and address changes to the NTIS address below.

Note: The publications of the Joint Publications Research Service (JPRS), which are sometimes cited in the DAILY REPORT, can also be ordered from NTIS in single copies or by subscription. In ordering, please cite the JPRS title, number, date and author if applicable.

Both the DAILY REPORT and JPRS publications are on file for public reference at the Library of Congress and at public and university libraries throughout the United States.

NTIS

National Technical Information Service
U. S. DEPARTMENT OF COMMERCE
Springfield, Virginia 22151


90
50